



**Date: 19<sup>th</sup> December, 2023**

**BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai — 400 001  
Scrip Code: 531548**

**National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (E),  
Mumbai — 400 051  
Symbol: SOMANYCERA**

Dear Sir/Madam,

**Subject: Submission of Letter of Offer for Buyback of Equity Shares.**

This is in continuation of our intimation dated 6<sup>th</sup> December, 2023, on the Public Announcement of Buyback of Equity Shares, we have enclosed a copy of the Letter of Offer dated 19<sup>th</sup> December, 2023 along with the Tender Forms and share transfer forms, which is being sent to the members through electronic means to the Eligible Shareholders as on the Record Date being Friday, 15<sup>th</sup> December, 2023.

The date of opening of the Buyback is Thursday, 21<sup>st</sup> December, 2023 and the date of closing of the Buyback is Thursday, 28<sup>th</sup> December, 2023. please refer the enclosed Letter of Offer for more information of Buyback of Equity Shares.

The copy of Letter of Offer and Tender Form and share transfer forms is also be available on the website of the Company at <https://www.somanyceramics.com/investor-relation/buyback-of-equity-shares-2023>, the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), Manager to the Buyback at [www.icicisecurities.com](http://www.icicisecurities.com) and the Registrar to the Buyback at [www.mdpl.in](http://www.mdpl.in).

This is for your kindly information & records.

Thanking you,

Yours Faithfully,

**For Somany Ceramics Limited**

**Ambrish Julka  
Sr. GM (Legal) & Company Secretary  
M. No. F4484**

**Encl: As above**



## LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder (as defined hereinafter) of Somany Ceramics Limited as on the Record Date, being Friday, December 15, 2023 in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (“**Buyback Regulations**”). If you require any clarifications about the action to be taken, you may consult your stock broker or your investment consultant or the Manager to the Buyback i.e., ICICI Securities Limited or the Registrar to the Buyback i.e., Maheshwari Datamatics Private Limited. Please refer to the section “*Definition of Key Terms*” on page 3 of this Letter of Offer for the definition of the capitalised terms used herein.

**SOMANY**

#### Somany Ceramics Limited

Corporate Identity Number: L40200WB1968PLC224116

Registered Office: 2, Red Cross Place, Kolkata, West Bengal-700001

Corporate Office: F-36, Sector-6, Noida, Uttar Pradesh-201301

Tel: 033-22487406/5913, Email: corporateaffairs@somanyceramics.com

Website: [www.somanyceramics.com](http://www.somanyceramics.com)

Contact Person: Mr. Ambrish Julka, Company Secretary and Compliance Officer

**OFFER TO BUYBACK NOT EXCEEDING 14,70,588 (FOURTEEN LAKH SEVENTY THOUSAND FIVE HUNDRED EIGHTY-EIGHT) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF THE FACE VALUE OF ₹ 2/- (INDIAN RUPEES TWO ONLY) EACH, FROM ALL ELIGIBLE SHAREHOLDERS (EQUITY SHAREHOLDERS AS ON THE RECORD DATE, BEING FRIDAY, DECEMBER 15, 2023) ON A PROPORTIONATE BASIS, THROUGH THE ‘TENDER OFFER’ ROUTE, AT A PRICE OF ₹850/- (INDIAN RUPEES EIGHT HUNDRED AND FIFTY ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING ₹ 1,25,00,00,000/- (INDIAN RUPEES ONE HUNDRED AND TWENTY FIVE CRORES ONLY) EXCLUDING THE TRANSACTION COSTS.**

- The Buyback is being undertaken in accordance with Article 11 of the Articles of Association of the Company, Sections 68, 69, 70, 108, 110 and all other applicable provisions of the Companies Act, 2013, as amended (the “**Companies Act**”) and the relevant rules made thereunder including the Companies (Share Capital and Debentures) Rules, 2014 (“**Share Capital and Debentures Rules**”) and the Companies (Management and Administration) Rules, 2014, (“**Management and Administration Rules**”), to the extent applicable, the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (“**Buyback Regulations**”) read with the SEBI Buyback Circulars (defined below) and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), to the extent applicable, and including any amendments, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”), Registrar of Companies, Kolkata (“**ROC**”), BSE Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”) (together, the “**Stock Exchanges**”) and/ or other relevant authorities, institutions or bodies, (together with SEBI, RBI and ROC, the “**Appropriate Authorities**”) while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.
- The maximum amount required for the Buyback will not exceed ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only) excluding the Transaction Costs (defined below), being 15.18% and 15.17% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company as on March 31, 2023 (being the latest audited standalone and consolidated financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) respectively. The Buyback Offer Size is within the statutory limit of 25% of the aggregate of the paid-up capital and free reserves of the Company as per Section 68(2)(c) of the Companies Act and Regulation 4(i) of the Buyback Regulations.
- In accordance with the Buyback Regulations, this Letter of Offer is being sent through electronic means to the Equity Shareholders/Beneficial Owners holding Equity Shares of the Company as on the Record Date and that if any shareholder requires a physical copy of the Letter of Offer, a request has to be sent to the Company or Registrar to the Buyback and the same shall be sent to such shareholder’s registered postal address.
- For details of the procedure for tender and settlement, please refer to the “*Procedure for Tender Offer and Settlement*” on paragraph 22 on page 43 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) along with the share transfer form (“**Form SH-4**”) are enclosed together with this Letter of Offer.
- For details of the procedure for Acceptance, please refer to the “*Process and Methodology for the Buyback*” on paragraph 21 on page 38 of this Letter of Offer.
- For mode of payment of cash consideration to the Eligible Shareholders, please refer to “*Procedure for Tender Offer and Settlement - Method of Settlement*” on paragraph 22(C) on page 50 of this Letter of Offer.
- A copy of the Public Announcement and this Letter of Offer (including the Tender Form and SH-4) shall be available on the website of SEBI, the Registrar to the Buyback, the Company, the stock exchanges and the Manager to the Buyback at [www.sebi.gov.in](http://www.sebi.gov.in), [www.mdpl.in](http://www.mdpl.in), [www.somanyceramics.com](http://www.somanyceramics.com), [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) and [www.icicisecurities.com](http://www.icicisecurities.com), respectively.
- Eligible Shareholders are advised to read this Letter of Offer and in particular refer to “*Details of Statutory Approvals*” and “*Note on Taxation*” on paragraph 19 and paragraph 23 on page 37 and page 53 of this Letter of Offer, respectively, before tendering their Equity Shares in the Buyback.

#### MANAGER TO THE BUYBACK



#### ICICI Securities Limited

ICICI Venture House, Appasaheb Marathe Marg,  
Prabhadevi, Mumbai – 400025, Maharashtra, India

Tel No.: + 91 022 6807 7100

Fax: +91 22 6807 7801

Contact Person: Ashik Joisar

Email: [somanybuyback@icicisecurities.com](mailto:somanybuyback@icicisecurities.com)

Website: [www.icicisecurities.com](http://www.icicisecurities.com)

Investor Grievance Email: [customercare@icicisecurities.com](mailto:customercare@icicisecurities.com)

SEBI Registration No.: INM000011179

Validity Period: Permanent CIN: L67120MH1995PLC086241

#### REGISTRAR TO THE BUYBACK



#### Maheshwari Datamatics Private Limited

Office No. 23, R.N. Mukherjee Road, 5th floor, Kolkata, West Bengal, 700001

Tel.: 033 - 22435809/22435029

Fax: 033 - 22484787

Contact Person: Mr. Ravi Bahl

E-mail: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

Website: [www.mdpl.in](http://www.mdpl.in)

Investor Grievance Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

SEBI Registration. No.: INR000000353

Validity Period: Permanent

CIN: U20221WB1982PTC034886

#### BUYBACK PROGRAMME

#### BUYBACK OPENS ON

Thursday, December 21, 2023

#### BUYBACK CLOSES ON

Thursday, December 28, 2023

#### LAST DATE AND TIME FOR RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK

Thursday, December 28, 2023, 5:00 p.m. (IST)

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## 1. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

Sr. No.	Activity	Schedule of Activities	
		Day	Date
1.	Date of Board Meeting approving the proposal for the Buyback	Thursday	October 26, 2023
2.	Date of declaration of the result of the postal ballot for passing special resolution by the Equity Shareholders of the Company, approving the Buyback	Monday	December 04, 2023
3.	Date of Public Announcement for the Buyback	Tuesday	December 05, 2023
4.	Date of publication of the Public Announcement for the Buyback in newspapers	Wednesday	December 06, 2023
5.	Record Date for determining the names of the Eligible Shareholders and the Buyback Entitlement	Friday	December 15, 2023
6.	Buyback Opening Date	Thursday	December 21, 2023
7.	Buyback Closing Date	Thursday	December 28, 2023
8.	Last date of receipt of completed Tender Form and other specified documents including physical certificates (if and as applicable) by the Registrar to the Buyback	Thursday	December 28, 2023
9.	Last date of verification of Tender Forms by Registrar to the Buyback	Tuesday	January 02, 2024
10.	Last date of intimation to the Stock Exchanges regarding Acceptance/ non-acceptance of tendered Equity Shares by the Registrar to the Buyback	Wednesday	January 03, 2024
11.	Last date of completion of settlement of bids on the BSE	Thursday	January 04, 2024
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback / return of unaccepted Demat Shares by the Stock Exchanges to Eligible Shareholders / payment to Eligible Shareholders	Thursday	January 04, 2024
13.	Last date of extinguishment of the Equity Shares bought back	Friday	January 12, 2024

*Note: Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.*

## 2. DEFINITIONS OF KEY TERMS

*This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.*

Term	Description
<b>Acceptance/Accepted/Accept</b>	Acceptance of Equity Shares tendered by the Eligible Shareholders in the Buyback
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through the mechanism provided by the Designated Stock Exchange i.e., NSE in the form of a separate window in accordance with the SEBI Buyback Circulars
<b>Additional Equity Shares</b>	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder not exceeding the Equity Shares held by such Eligible Shareholder on the Record Date

<b>Term</b>	<b>Description</b>
<b>Articles of Association</b>	Articles of Association of the Company, as amended from time to time
<b>Appropriate Authorities</b>	SEBI, RBI and ROC
<b>Board/ Board of Directors</b>	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Buyback Committee' thereof)
<b>Board Meeting</b>	Meeting of the Board of Directors held on Thursday, October 26, 2023, wherein among other things, the proposal for the Buyback was approved
<b>Board Resolution</b>	The resolution of the Board of Directors passed in the Board Meeting
<b>BSE</b>	BSE Limited
<b>Buyback or Buyback Offer or Offer</b>	Offer by the Company to buyback, not exceeding 14,70,588 Equity Shares at a price of ₹850/- (Indian Rupees Eight Hundred and Fifty Only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only), excluding any expenses incurred or to be incurred for the buyback viz. brokerage, costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, from all the Eligible Shareholders as on the Record Date, through the Tender Offer process on a proportionate basis in terms of the Buyback Regulations read with SEBI Buyback Circulars.
<b>Buyback Closing Date</b>	Thursday, December 28, 2023
<b>Buyback Committee</b>	A committee constituted by the Board, comprising of Shreekant Somany, Chairman and Managing Director, Abhishek Somany, Managing Director and CEO and Siddharath Bindra, Independent Director of the Company pursuant to a resolution passed by the Board dated October 26, 2023, to exercise certain powers in relation to the Buyback
<b>Buyback Entitlement/ Entitlement</b>	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, which is computed based on the number of Equity Shares held by such Eligible Shareholder as on the Record Date and the ratio/ percentage of Buyback applicable in the category, to which such Eligible Shareholder belongs
<b>Buyback Opening Date</b>	Thursday, December 21, 2023
<b>Buyback Offer Price</b>	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., ₹ 850/- (Indian Rupees Eight Hundred and Fifty Only) per Equity Share, payable in cash
<b>Buyback Offer Size</b>	Number of Equity Shares proposed to be bought back i.e., not exceeding 14,70,588 Equity Shares multiplied by the Buyback Offer Price (i.e., ₹ 850/- (Indian Rupees Eight Hundred and Fifty Only) aggregating to a maximum amount of ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only). The Buyback Offer Size excludes Transaction Costs
<b>Buyback Period</b>	The period between the date of the declaration of results of the postal ballot through special resolution i.e., December 04, 2023 and the date on which the payment of consideration to the Eligible Shareholders who have accepted the Buyback is made
<b>Buyback Regulations</b>	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time
<b>CDSL</b>	Central Depository Services (India) Limited
<b>CIN</b>	Corporate Identity Number
<b>Clearing Corporation</b>	NSE Clearing Limited
<b>Companies Act</b>	Companies Act, 2013, as amended and rules framed thereunder
<b>“Company” or “Our Company” or “we” or “us” or “our”</b>	Somany Ceramics Limited
<b>Company Demat Account</b>	A demat account of the Company wherein Demat Shares bought back in the Buyback would be transferred

<b>Term</b>	<b>Description</b>
<b>Company's Broker</b>	ICICI Securities Limited
<b>Compliance Officer</b>	Amrish Julka
<b>Demat Share(s)</b>	Equity Share(s) of the Company in dematerialised form
<b>Depositories</b>	Together, NSDL and CDSL
<b>Depositories Act</b>	Depositories Act, 1996, as amended and rules framed thereunder
<b>Designated Stock Exchange or DSE</b>	NSE
<b>DIN</b>	Director Identification Number
<b>Director(s)</b>	Director(s) of the Company
<b>DP</b>	Depository Participant
<b>EBITDA</b>	Earnings before interest, taxes, depreciation, and amortization
<b>Eligible Shareholders</b>	Equity Shareholders eligible to participate in the Buyback and would mean all shareholders/ beneficial owners of the Equity Shares of the Company on the Record Date, but do not include such shareholders/ beneficial owners of the Equity Shares who are not permitted under the applicable law to tender Equity shares in the Buyback
<b>EPS</b>	Earnings per Equity Share
<b>Equity Shareholder(s) / Shareholder(s)</b>	Holders of Equity Shares and includes beneficial owners thereof
<b>Equity Share(s)</b>	Fully paid-up equity share(s) of the Company having the face value of ₹ 2/- (Indian Rupees Two Only) each
<b>Escrow Account</b>	The Escrow Account in the name and style of "SOMANY CERAMICS LIMITED - BUYBACK ESCROW ACCOUNT" opened with ICICI Bank Limited in accordance with the Buyback Regulations
<b>Escrow Agent</b>	ICICI Bank Limited
<b>Escrow Agreement</b>	The agreement dated December 07, 2023 entered into between the Company, the Manager to the Buyback and the Escrow Agent, pursuant to which certain arrangement for Escrow Account is made in relation to the Buyback
<b>FEMA</b>	The Foreign Exchange Management Act, 1999, as amended from time to time, including rules, regulations, circulars, directors and notifications issued thereunder
<b>FII(s)</b>	Foreign Institutional Investor(s)
<b>FPI(s)</b>	Foreign Portfolio Investors as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
<b>General Category</b>	Eligible Shareholders other than the Small Shareholders
<b>HUF</b>	Hindu Undivided Family
<b>IST</b>	Indian Standard Time
<b>IT Act/ Income Tax Act</b>	Income Tax Act, 1961, as amended
<b>Letter of Offer</b>	This letter of offer dated Tuesday, December 19, 2023 issued to the Shareholders containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
<b>Management and Administration Rules</b>	Companies (Management and Administration) Rules, 2014, as amended
<b>Manager to the Buyback or Merchant Banker to the Buyback</b>	ICICI Securities Limited
<b>NA</b>	Not applicable
<b>Non-Resident Shareholders</b>	Includes Non-resident Indians (NRI) and FPIs and foreign corporate bodies (including erstwhile overseas corporate bodies)
<b>NSDL</b>	National Securities Depository Limited
<b>NSE</b>	National Stock Exchange of India Limited
<b>PAN</b>	Permanent Account Number
<b>Postal Ballot Notice</b>	Notice of postal ballot dated October 26, 2023 for obtaining approval for the Buyback from the Equity Shareholders of the Company
<b>Promoter and Promoter</b>	Abhishek Somany (HUF), Anjana Somany, Minal Somany, Aanvi Somany,

<b>Term</b>	<b>Description</b>
<b>Group or Promoters and members of Promoter Group</b>	Anushree Chopra, Shrivatsa Somany, Shreekant Somany, Ameya Somany, Abhishek Somany, Abhishek Somany- Trustee of Shakthi Family Trust, Shreekant Somany- Trustee of Srijan Family Trust, Shrivatsa Somany - Trustee of Sanrakshith Family Trust
<b>Physical Share(s)</b>	Equity Share(s) of the Company in physical form
<b>Public Announcement</b>	Public announcement dated Tuesday, December 05, 2023 in connection with the Buyback in accordance with the Buyback Regulations which was published on Wednesday, December 06, 2023 in all editions of the Financial Express, an English daily, Jansatta, a Hindi national daily and Aajkaal, a regional language Bengali daily.
<b>RBI</b>	Reserve Bank of India
<b>Record Date</b>	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer (including the Tender Forms and SH-4) will be sent, and who are eligible to participate in the Buyback in accordance with the Buyback Regulations. The Record Date for the Buyback was Friday, December 15, 2023
<b>Registrar to the Buyback or Registrar</b>	Maheshwari Datamatics Private Limited
<b>Reserved Category</b>	Equity Shares reserved for the Small Shareholders
<b>Registrar of Companies or ROC</b>	Registrar of Companies, Kolkata
<b>Share Capital and Debentures Rules</b>	Companies (Share Capital and Debenture) Rules, 2014, as amended
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Listing Regulations</b>	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
<b>SEBI Buyback Circulars</b>	The mechanism for acquisition of shares through stock exchange specified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and such other circulars or notifications as may be applicable, including any further amendments thereof or statutory modifications for the time in force
<b>Seller Member</b>	The stockbroker of an Eligible Shareholder through whom the order for selling the Equity Shares will be placed in the Acquisition Window
<b>Small Shareholder</b>	As defined under Regulation 2(i)(n) of the Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than ₹2,00,000 (Indian Rupees Two Lakhs Only), on the basis of closing price on BSE or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date.
<b>Stock Exchanges</b>	Together, BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
<b>Stock Exchange Mechanism</b>	The “Mechanism for Acquisition of Shares through Stock Exchange”, notified by the SEBI vide SEBI Buyback Circulars
<b>Tender Form</b>	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback
<b>Tender Offer</b>	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
<b>Tendering Period</b>	Period of 5 Working Days from the Buyback Opening Date Thursday, December 21, 2023 till the Buyback Closing Date Thursday, December 28, 2023 (both days inclusive)
<b>Transaction Costs</b>	Any expenses incurred or to be incurred for the buyback viz. brokerage, costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, filing fees to SEBI and any other Appropriate Authorities, stock exchange charges, advisor/legal fees,

Term	Description
	public announcement publication expenses and other incidental and related expenses and charges
<b>TRS</b>	Transaction Registration Slip generated by the exchange bidding system
<b>Working Day(s)</b>	Working day as defined in the Buyback Regulations

### **Certain conventions, currency of presentation, use of financial information and stock market data**

#### **Page Numbers and Paragraph Numbers**

Unless otherwise stated, all references to page numbers and paragraph numbers in this Letter of Offer are to page numbers and paragraph numbers of this Letter of Offer.

#### **Currency and Units of Presentation**

All references to “*Rupee(s)*”, “*Rs.*”, “*Re.*”, “*₹*” or “*INR*” are to Indian Rupees, the official currency of the Republic of India.

#### **Financial and Other Data**

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from the audited standalone and consolidated financial statement for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023 and unaudited standalone and consolidated financial statements for six months ended September 30, 2023, which have been limited reviewed by our statutory auditors.

Our Company’s financial year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as “**Financial Year**” or “**FY**”).

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

All data related to financials are given in INR lakhs, unless otherwise stated.

#### **Stock Market Data**

Unless stated or the context requires otherwise, stock market data included in this Letter of Offer is derived from the websites of the Stock Exchanges.

#### **Time**

Unless stated otherwise, all references to time in this Letter of Offer are to Indian Standard Time.

### **3. DISCLAIMER CLAUSE**

As required, a copy of this Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback i.e., ICICI Securities Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and



towards this purpose, the Manager to the Buyback i.e., ICICI Securities Limited, has furnished to SEBI a due diligence certificate dated Tuesday, December 19, 2023 in accordance with the Buyback Regulations, which reads as follows:

*“We have examined various documents and materials relevant to the Buyback, as part of the due-diligence carried out by us in connection with the finalisation of the public announcement dated Tuesday, December 05, 2023 for the Buyback (“**Public Announcement**”) which was published on Wednesday, December 06, 2023 and the Letter of Offer dated Tuesday, December 19, 2023 (“**Letter of Offer**”). On the basis of such examination and the discussions with the Company, we hereby state that:*

- *the Buyback is in compliance of the SEBI Buyback Regulation and the Letter of Offer contains the information required under the SEBI Buyback Regulation.*
- *the Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;*
- *all the legal requirements connected with the said Buyback including Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended have been duly complied with;*
- *the disclosures in the Public Announcement and the Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders/ beneficial owners of the Company to make a well informed decision in respect of the captioned Buyback; and*
- *funds used for the Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”*

The filing of this Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoters and members of the Promoter Group and the Board of Directors of the Company declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation, and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the Promoters and members of the Promoter Group and Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

The Promoters and members of the Promoter Group and the Board of Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

### 3.1 **Disclaimer for Persons from the United States of America**

The information contained in this Letter of Offer is exclusively intended for persons who are not US Persons as defined in Regulations of the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about, and to observe any such restrictions.

### 3.2 **Disclaimer for Persons in foreign countries other than the United States of America:**

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Buyback is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation which would subject the Company or the Manager to the Buyback to any new or additional requirements or registrations. Potential users of the information contained in this Letter of Offer are requested to inform

themselves about and to observe any applicable legal requirement or restrictions.

### 3.3 **Important Notice to all Equity Shareholders:**

This Letter of Offer has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of the Letter of Offer. The Letter of Offer shall be dispatched to all Eligible Shareholders (Equity Shareholders as on the Record Date) as per the Buyback Regulations and such other circulars or notifications, as may be applicable. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

### 3.4 **Forward Looking Statement:**

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will pursue’, or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter-alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

## 4. **TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS**

The Buyback has been authorised and approved by the Board of Directors at its meeting held on Thursday, October 26, 2023. The text of the resolution of the Board of Directors is set out below:

**“RESOLVED THAT** in accordance with Article 11 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 110, 179 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (hereinafter called the “**Act**”), the Companies (Share Capital and Debenture) Rules, 2014, the Companies (Management and Administration) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) to the extent applicable and in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (“**Listing Regulations**”) and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (“**Buyback Regulations**”), which expression shall include any modification or re-enactment thereof, and subject to such other approvals, permissions, consents, sanctions and exemptions of Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”), Registrar of Companies, Kolkata (“**RoC**”), Income Tax Authority and/ or other authorities, institutions or bodies (together with SEBI, RBI and RoC, the “**Appropriate Authorities**”), as may be necessary including the approval of the members of the Company (“**Member**” or “**Shareholder**”) by way of a special resolution by means of postal ballot, the consent of the Board of Directors of the Company (“**Board**”, which term shall be deemed to include any committee of the Board and/ or officials, which the Board may constitute/authorise to exercise its powers, including the powers conferred by this resolution) be and is hereby accorded for the buyback up to 14,70,588 fully paid up equity shares of the Company having a face value of INR 2 each (“**Equity Shares**”) (representing 3.46 % of the total number of Equity Shares in the paid up equity share capital of the Company as of March 31, 2023 , at a price of

INR 850/- (Indian Rupees Eight Hundred and Fifty only) per Equity Share (“**Buyback Price**”) payable in cash for an aggregate amount not exceeding INR 1,25,00,00,000 (Indian Rupees One Hundred and Twenty Five Crores only), excluding any expenses incurred or to be incurred for the buyback viz. brokerage costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, filing fees to SEBI and any other Appropriate Authorities, stock exchange charges, advisor/legal fees, public announcement publication expenses and other incidental and related expenses and charges, (such maximum amount hereinafter referred to as the “**Buyback Size**”) which represents 15.18 % and 15.17 % of the total of the Company’s paid-up capital and free reserves as per the standalone and consolidated audited financial statements of the Company as on 31<sup>st</sup> March, 2023 respectively, being the latest audited financial information available as on the date of the Board Meeting recommending the proposal for the Buyback (which is within the statutory limits of 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company, based on both standalone financial statements and consolidated financial statements of the Company, whichever is lower, under the shareholders’ approval route as per the provisions of the Companies Act and Buyback Regulations), from all the shareholders/ beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group, as on a record date to be subsequently decided by the Board (“**Record Date**”), through the “tender offer” route, on a proportionate basis as prescribed under the Buyback Regulations (hereinafter referred to as the “**Buyback**”) in compliance with the Buyback Regulations, the Board may, till one working day prior to the Record Date, increase the Buyback Offer Price and decrease the number of securities proposed to be bought back in the Buyback, such that there is no change in the Buyback Offer Size.

**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buyback using the “*Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting*” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 read with the SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and the SEBI Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 8, 2023, including any amendments or statutory modifications for the time being in force (“**SEBI Buyback Circulars**”).

**RESOLVED FURTHER THAT**, all the shareholders of the Company, as on the Record Date, shall be eligible to participate in the Buyback, except any shareholders who may be specifically prohibited under the applicable laws by Appropriate Authorities.

**RESOLVED FURTHER THAT** in terms of Regulation 4 of the Buyback Regulations and Section 68 of the Act, the proposed Buyback be implemented from its free reserves and/or securities premium account and/or such other sources or by such mechanisms as may be permitted by applicable laws, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit under the applicable laws.

**RESOLVED FURTHER THAT** the Company may Buyback Equity Shares from all the existing Shareholders on a proportionate basis, provided that 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders as defined in the Buyback Regulations, as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback from non-resident Shareholders, Overseas Corporate Bodies, Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs) etc., shall be subject to such approvals, if and to the extent necessary or required including approvals from the RBI under the applicable Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended if any, Income Tax Act, 1961 and rules framed there under, as amended if any, and that such approvals shall be required to be taken by such non-resident shareholders.

**RESOLVED FURTHER THAT** as required by clause (x) of Schedule I in accordance with Regulation 5(iv)(b) of the Buyback Regulations, the Board do hereby confirm that they have made a full enquiry into the affairs and prospects of the Company including the projections and also considering all contingent liabilities, and have formed an opinion that:

1. Immediately following the date of this resolution and the date on which the result of the shareholders’ resolution passed by way of postal ballot (“**Shareholder Resolution**”) approving the proposed Buyback

offer will be announced, there will be no grounds on which the Company could be found unable to pay its debts;

2. As regards the Company's prospects for the year immediately following the date of this resolution as well as the date of the Shareholders' Resolution, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view be, available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 (one) year from the date of this resolution as well as the Shareholders' Resolution.
3. That in forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Act or Insolvency and Bankruptcy Code, 2016 (to the extent notified).

**RESOLVED FURTHER THAT** Mr. Ambrish Julka, Company Secretary be and is hereby appointed as Compliance Officer under the Buyback Regulations for the implementation of the Buyback.

**RESOLVED FURTHER THAT** the Board hereby confirms that:

1. All the Equity Shares of the Company are fully paid-up;
2. The Company, as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of Equity Shares or other specified securities including allotment of new equity shares under clause (a) of sub-section (1) of section 62 or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
3. The Company shall not raise further capital for a period of 1 (one) year from the closure of the Buyback, i.e. the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made except in discharge of subsisting obligations;
4. The Company shall not issue any shares or other securities from the date of this resolution including by way of bonus issue till the expiry of the period of Buyback i.e., date on which the payment of consideration to shareholders who have accepted the offer of Buyback is made in accordance with the Companies Act and the Buyback Regulations;
5. The Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
6. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
7. The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
8. The Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
9. There are no defaults (either in past or subsisting) in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company; In case any such default has ceased to subsist, a period of more than three years has lapsed;
10. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act;

11. The funds borrowed from banks and financial institutions will not be used for the Buyback;
12. The aggregate maximum amount of the Buyback i.e., INR 1,25,00,00,000(Rupees One Hundred and Twenty Five Crores) does not exceed 25% of the aggregate of the total paid-up capital and free reserves based on both audited standalone and consolidated financial statements of the Company as on 31<sup>st</sup> March, 2023, whichever sets out the lower amount;
13. The maximum number of Equity Shares proposed to be purchased under the Buyback (up to 14,70,588 Equity Shares), does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital of the Company as on 31<sup>st</sup> March, 2023;
14. The Company shall not make any offer of buyback within a period of 1 (one) year reckoned from the expiry of the Buyback period i.e. date on which the payment of consideration to shareholders who have accepted the buyback offer is made in accordance with the Companies Act and the Buyback Regulations; and the Company has not undertaken a buyback of any of its securities during the period of 1(one) year immediately preceding the date of this Board Meeting;
15. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date;
16. The ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice the paid-up share capital and free reserves based on both, audited standalone or consolidated financial statements of the Company as on 31<sup>st</sup> March, 2023, whichever sets out a lower amount;
17. The Buyback shall be completed within a period of 1 (one) year from the date of passing of special resolution by way of postal ballot;
18. The Company shall not withdraw the Buyback offer after the public announcement of the offer of the Buyback is made, except where any event or restriction may render Company unable to effect Buyback;
19. The Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations;
20. That the Company shall not allow buy back of its shares unless the consequent reduction of its share capital is affected;
21. The Company is not undertaking the Buyback to delist its Equity Shares or any other specified securities from the stock exchanges;
22. The Company shall not undertake the Buyback unless it has obtained the prior consent of its lenders, in case of breach of any covenant with such lenders;
23. Consideration of the Equity Shares bought back by the Company will be paid only by way of cash; and
24. The information pertaining to the Company as may be set out in the public announcement, letter of offer or any corrigenda and all offer documents with respect to the Buyback (“**Buyback Offer Documents**”) shall be true, fair and adequate information in all material aspects and shall not contain any misleading information.

**RESOLVED FURTHER THAT** the powers of the Board in respect of Buyback be and are hereby delegated to the committee comprising Shri Shreekant Somany (DIN: 00021423) Chairman and Managing Director, Shri Abhishek Somany (DIN: 00021448), Managing Director and CEO and Shri Siddharath Bindra (DIN: 01680498), Independent Director (“Buyback Committee”).

**RESOLVED FURTHER THAT,** the Buyback Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, in relation to the Buyback, including but not limited to:

1. To seek all regulatory approvals, if any, including of the SEBI and the RBI for implementing the Buyback.

2. To decide the specified date /record date/cut off date for the purpose of Buyback.
3. To appoint, authorize, enter into agreements with and issue necessary instructions to merchant banker, registrar, custodians, advertising agencies, escrow agents, brokers, depository participants and all other intermediaries, advisors, consultants, Banks/Financial Institutions, etc. as may be required, desired or considered expedient for the implementation of the Buyback including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof.
4. To open, operate and close one or more bank accounts including escrow accounts and special accounts required if any, and to enter into agreements with and to give instructions to the bankers in connection therewith.
5. To open, operate and close one or more depository account/ trading account/ buyer broker account and to open, operate and close special trading window account with both the BSE Limited and the National Stock Exchange of India Limited and to decide the authorized signatories for depository account/trading account/buyer broker account/special trading window account.
6. Negotiation and execution of escrow arrangement(s) in accordance with the Buyback Regulations.
7. To authorize bankers to act upon the instructions of the merchant banker as required under the Buyback Regulations.
8. To initiate all necessary actions for preparation, amendments, circulations of the postal ballot, public announcement, letter of offer and other related documents.
9. To adopt text of and publish the relevant Buyback Offer Documents before and or after Buyback.
10. To file copies of the Buyback Offer Documents and any revision thereto with SEBI, the stock exchanges and other appropriate authorities as may be required.
11. To decide on the opening date for commencing of Buyback and closing date.
12. To decide the 'designated stock exchange' for the Buyback.
13. To decide on the entitlement ratio and timetable for buyback purpose till the extinguishment of the shares.
14. To carry out management discussion and analysis on the likely impact of the Buyback on the Company's earnings, public holdings, holdings of NRIs/FIIs etc., promoters' holdings and change in management structure.
15. To issue, furnish and make disclosures, certificates, returns, confirmations etc. as may be required under the Act, Buyback Regulations or other applicable law and to file such documents with the relevant persons as may be required under the Act, Buyback Regulations or other applicable law.
16. To deal with stock exchanges (including their clearing corporations) where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback as per SEBI Circulars.
17. To give any information, explanation, declarations and confirmation in relation to the public announcement, letter of offer as may be required by the relevant authorities.
18. To make and file 'Compliance Certificate' as required under the Buyback Regulations.
19. To establish investor service centre/s.
20. To verify offer/acceptances received.
21. To finalize basis of acceptance.

22. To pay to the Shareholders consideration for shares bought back pursuant to the Buyback.
23. To issue rejection letters, if any.
24. To affix the common seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the articles of association of the Company.
25. To extinguish shares bought back within the time limit specified under the Buyback Regulations and to destroy share certificates upon the completion of the Buyback.
26. To file 'Return of Buyback' with Registrar and other statutory authorities.
27. To maintain 'Register of Securities bought back'.
28. To take appropriate action for the removal of difficulties, if any, and to decide on all matters in connection with or incidental to, the implementation of the Buyback.
29. To represent the Company before the Ministry of Corporate Affairs, RoC, SEBI, stock exchanges or any other agencies connected with the Buyback offer of the Company and to sign and submit all forms, letters, documents or other papers that may be required for the implementation of the Buyback.
30. To authorize one or more executives of the Company or of the merchant bankers to carry out any of the above activities.
31. To give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.
32. To do all such acts, matters and things incidental and in connection with the Buyback and sign and deliver such documents as may be necessary, desirable or expedient.

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members present personally or through video conferencing or having provided their consent through circular resolution.

**RESOLVED FURTHER THAT** the Buyback Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in connection with the Buyback.

**RESOLVED FURTHER THAT** the Buyback Committee be and is hereby authorized to delegate all or any of the authorities conferred on it to any Director(s)/Officer(s)/Authorised Representative(s) of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

**RESOLVED FURTHER THAT** as required under the provisions of Section 68(6) of the Act read with Regulation 8 of the Buyback Regulations, the draft of the declaration of solvency prepared in the prescribed form, along with supporting affidavits and other documents, and that placed before the meeting be and is hereby approved and that Shri Shreekant Somany (DIN: 00021423) Chairman and Managing Director and Shri Abhishek Somany (DIN: 00021448), Managing Director and CEO be and are hereby authorized jointly to sign the same, for and on behalf of the Board and file the same with the RoC and other Regulatory Authorities, in accordance with the applicable laws.

**RESOLVED FURTHER THAT** the consent of the Board be and is hereby accorded to appoint ICICI Securities Limited as the Merchant Banker to the Buyback or Manager to the Buyback in accordance with the Companies Act, as amended and Buyback Regulations.

**RESOLVED FURTHER THAT** ICICI Securities Limited be and is hereby appointed as the buying broker for the Buyback, to inter alia carry out the activities as brokers under the Buyback Regulations, on terms and conditions as may be mutually decided, and the consent of the Board be and is hereby accorded to open a depository account and a trading account with ICICI Securities Limited in connection with and for the purpose of the Buyback.

**RESOLVED FURTHER THAT** the Board hereby takes on record the draft report dated 26<sup>th</sup> October, 2023 issued by Singhi & Co., the statutory auditor of the Company, as required under clause (xi) of Schedule I of the Buyback Regulations.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/or any obligation on the Company or the Board or its authorised official/ Committee to buyback any shares and/or impair any power of the Company or the Board or authorised officials/the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** any of the directors of the Company and /or the Company Secretary and/or the Chief Financial Officer for the time being, be and are hereby severally authorized to file necessary e-forms and to do all such acts, deeds and things or incidental for signing and filing of forms, payment of fees etc. and to do all such other acts, things and deeds, as may be required for the aforesaid purpose or other services as that may be necessary to give effect to the above resolutions.”

## 5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated Tuesday, December 05, 2023, for the Buyback which was published on Wednesday, December 06, 2023 in the newspapers mentioned below, which is within two Working Days from the date of declaration of the results of the postal ballot for special resolution passed by the Equity Shareholders, approving the Buyback i.e., Monday, December 04, 2023:

Name of the Newspaper	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Aajkaal	Bengali	Kolkata

The Company will publish further notices or corrigenda, if any, in the above-mentioned newspapers.

A copy of the Public Announcement is available on the Company’s website ([www.somanyceramics.com](http://www.somanyceramics.com)), the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and on the websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)), the website of the Manager to the Buyback ([www.icicisecurities.com](http://www.icicisecurities.com)) and on the website of the Registrar to the Buyback ([www.mdpl.in](http://www.mdpl.in)).

## 6. DETAILS OF THE BUYBACK

The Board of Directors has at its meeting held on Thursday, October 26, 2023, subject to the approval of the Shareholders of the Company by way of a special resolution through e-voting and subject to such approvals of statutory, regulatory or governmental authorities, lenders as may be required under applicable law, approved the proposal to buyback not exceeding 14,70,588 Equity Shares, (representing 3.46% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company as per the audited standalone and consolidated financial statements as of March 31, 2023), from the shareholders/ beneficial owners of Equity Shares of the Company as on the Record Date (for further details in relation to the Record Date, refer to paragraph 21.6 on page 39 of this Letter of Offer), on a proportionate basis, through the “tender offer” process as prescribed under the Buyback Regulations, at a price of ₹ 850/- (Indian Rupees Eight Hundred and Fifty Only) per Equity Share (“**Buyback Offer Price**”), payable in cash, for an aggregate maximum amount not exceeding ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only). The Buyback Offer Size and the Buyback Offer Price do not include the Transaction Costs. The Buyback Offer Size represents 15.18% and 15.17% of the aggregate of the fully paid-up equity share capital and free reserves as on March 31, 2023 based on the audited standalone and consolidated financial statements of the Company, respectively, which is not exceeding 25% of the aggregate of the total paid-up capital and free reserves of the Company as per latest available standalone and consolidated audited financials of the Company as on March 31, 2023.

In accordance with Section 68(2)(b) of the Companies Act, the Board had sought the approval of the Shareholders of the Company by way of a special resolution since the Buyback Offer Size is more than 10% of the total paid-up equity share capital and free reserves of the Company. The Shareholders of the Company approved the Buyback, by way of special resolution, through e-voting, pursuant to the Postal Ballot Notice, the results of which were announced on Monday, December 04, 2023.



The Buyback shall be undertaken on a proportionate basis from the Equity Shareholders of the Company as on the Record Date through the Tender Offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations read with Chapter III of the Buyback Regulations and Sections 68, 69 and 70 and other applicable provisions of the Companies Act. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified under SEBI Buyback Circulars.

In terms of the Buyback Regulations, under the Tender Offer method, the Promoters and members of the Promoter Group, and persons in control of the Company have the option to participate in the Buyback. In this regard, the Promoters and members of the Promoter Group (who are the persons in control) of the Company have expressed their intention of participating in the Buyback vide letters dated October 26, 2023. Please refer to paragraph 15.4 on page 25 of this Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and members of the Promoter Group in the Company.

Upon completion of the Buyback, the Company has undertaken to comply with the requirement of maintaining a minimum public shareholding of at least 25% of the total paid up equity share capital as provided under Regulation 38 of the SEBI Listing Regulations.

Participation in the Buyback by shareholders will trigger tax on distributed income to shareholders (hereinafter referred to as “**Buyback Tax**”) and such tax is to be discharged by the Company. Further, the Buyback of Equity Shares may be subject to taxation in India and/or in the country of residence of the Eligible Shareholders. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.

The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies, erstwhile overseas corporate bodies, and non-resident Indians etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India (“**RBI**”) under the Foreign Exchange Management Act, 1999, as amended and the rules and regulations framed thereunder, Income Tax Act and rules framed there under, and that such approvals shall be required to be taken by such Non-Resident Shareholders.

#### 6.1 **Shareholding of the Promoters and members of the Promoter Group, persons in control and directors of the Promoters and members of the Promoter Group entities and persons in control**

The aggregate shareholding of the Promoter, members of the Promoter Group, and of persons who are in control of the Company, as on the date of the Postal Ballot Notice i.e., October 26, 2023 is as follows:

Sr. No.	Name	Promoter/ Promoter Group	Designation	Number of Equity Shares	% of paid up equity share capital
1.	Abhishek Somany (HUF)	Promoter	-	19,14,093	4.51
2.	Anjana Somany	Promoter	-	10,84,468	2.55
3.	Minal Somany	Promoter	-	6,90,108	1.62
4.	Aanvi Somany	Promoter	-	3,00,000	0.71
5.	Anushree Chopra	Promoter	-	2,01,407	0.47
6.	Shrivatsa Somany	Promoter	-	1,19,538	0.28
7.	Shreekant Somany	Promoter	Chairman & Managing Director	1,19,538	0.28
8.	Ameya Somany	Promoter	-	65,000	0.15
9.	Abhishek Somany	Promoter	Managing Director and Chief Executive Officer	19,538	0.05
10.	Abhishek Somany- Trustee of Shakthi Family Trust	Promoter		1,00,80,055	23.73
11.	Shreekant Somany- Trustee of	Promoter	-	43,37,872	10.21

Sr. No.	Name	Promoter/ Promoter Group	Designation	Number of Equity Shares	% of paid up equity share capital
	Srijan Family Trust				
12.	Shrivatsa Somany - Trustee of Sanrakshith Family Trust	Promoter	-	43,37,872	10.21
<b>Total Shares</b>				<b>2,32,69,489</b>	<b>54.78</b>

Given that Promoters are either individual or trust, the requirement to disclose the aggregate shareholding of the Directors of Promoter and Promoter Group companies as per the latest shareholding pattern available as on the date of the Postal Ballot Notice i.e., October 26, 2023 does not arise.

## 6.2 Shareholding of the Directors and/ or the key managerial personnel of the Company

Except as disclosed below, none of the Directors of the Company (“**Directors**”) or key managerial personnel of the Company (“**KMPs**”) hold any Equity Shares in the Company, as on the date of the Postal Ballot Notice i.e., October 26, 2023:

Sr. No.	Name of the Directors/ KMPs	Designation	Number of Equity Shares	% shareholding
1.	Shreekant Somany	Chairman and Managing Director	1,19,538	0.28
2.	Abhishek Somany	Managing Director and Chief Executive Officer	19,538	0.05
3.	Vineet Agarwal	Independent Director	2,034	0.00
4.	Rameshwar Singh Thakur	Independent Director	-	-
5.	Ravinder Nath	Independent Director	-	-
6.	Rumjhum Chatterjee	Independent Director	-	-
7.	Siddharath Bindra	Independent Director	-	-
8.	Ghanshyam Girdharbhai Trivedi	Non-Executive Non Independent Director	2000	0.00
9.	Salil Singhal	Independent Director	-	-
10.	Amit Sahai	Chief Executive Officer -Tile Business	-	-
11.	Sailesh Raj Kedawat	Chief Financial Officer	-	-
12.	Ambrish Julka	Company Secretary	-	-
<b>Total Shares</b>			<b>1,43,110</b>	<b>0.33</b>

6.3 No Equity Shares were purchased or sold (either through the Stock Exchanges or off market transaction) by the Promoter and Promoter Group, directors of the Promoter company and persons who are in control of the Company, Directors and KMPs of the Company during a period of twelve months preceding the date of the Postal Ballot Notice i.e, October 26, 2023.

## 7. INTENTION OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUYBACK

7.1 In terms of the Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group and persons in control of the Company have an option to participate in the Buyback. In this regard, the promoters have expressed their intention to participate in the Buyback by way of their letters each dated October 26, 2023 and may tender up to: (i) an aggregate maximum of 12,49,994 Equity Shares (as detailed below); or (ii) such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations, the details of which are mentioned below:

Sr. No.	Name of the Promoter	Maximum Number of Equity Shares intended to be offered in the Buyback
1.	Abhishek Somany (HUF)	1,02,822
2.	Anjana Somany	58,255

Sr. No.	Name of the Promoter	Maximum Number of Equity Shares intended to be offered in the Buyback
3.	Minal Somany	37,071
4.	Aanvi Somany	16,115
5.	Anushree Chopra	10,819
6.	Shrivatsa Somany	6,421
7.	Shreekant Somany	6,421
8.	Ameya Somany	3,491
9.	Abhishek Somany	1,049
10.	Abhishek Somany- Trustee of Shakthi Family Trust	5,41,484
11.	Shreekant Somany- Trustee of Srijan Family Trust	2,33,023
12.	Shrivatsa Somany - Trustee of Sanrakshith Family Trust	2,33,023
<b>Total Shares</b>		<b>12,49,994</b>

7.2 The details of the date and price of acquisition/sale of the Equity Shares of the Promoters who intend to participate in the Buyback is set out below:

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Abhishek Somany (HUF)</b>					
1	October 17, 2019	1,02,822	2,05,644	-	Allotment of Equity Shares pursuant to the Scheme of Amalgamation*

\*Total allotment of 18,49,093 equity shares pursuant to the scheme of amalgamation.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Anjana Somany</b>					
1	October 17, 2019	58,255	1,16,510	-	Allotment of Equity Shares pursuant to the Scheme of Amalgamation*

\*Total allotment of 62,33,439 equity shares pursuant to the scheme of amalgamation.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Minal Somany</b>					
1	August 27, 2020	37,071	74,142	-	Gift*

\*Total acquisition of 10,70,108 equity shares through gift deed.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Aanvi Somany</b>					

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
1	December 27, 2021	16,115	32,230	-	Gift*

*\*Total acquisition of 3,00,000 equity shares through gift deed.*

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Anushree Chopra</b>					
1	December 27, 2021	10,819	21,638	-	Gift*

*\*Total acquisition of 80,000 equity shares through gift deed.*

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Shrivatsa Somany</b>					
1	January 13, 2022	6,421	12,842	-	Allotment of Equity Shares pursuant to the Scheme of Amalgamation*

*\*Total allotment of 19,538 equity shares pursuant to the scheme of amalgamation.*

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Shreekant Somany</b>					
1	January 13, 2022	6,421	12,842	-	Allotment of Equity Shares pursuant to the Scheme of Amalgamation*

*\*Total allotment of 19,538 equity shares pursuant to the scheme of amalgamation.*

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Ameya Somany</b>					
1	August 26, 2020	3,491	6,982	6,03,154	Market Purchase*

*\*Total acquisition of 34,455 equity shares.*

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Abhishek Somany</b>					
1	January 13, 2022	1,049	2,098	-	Allotment of Equity Shares pursuant to the Scheme of Amalgamation*

\*Total allotment of 19,538 equity shares pursuant to the scheme of amalgamation.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Abhishek Somany- Trustee of Shakthi Family Trust</b>					
1	February 11, 2020	5,41,484	10,82,968	-	Inter se transfer in accordance with the SEBI Exemption order under Regulation 11(5) of SEBI (SAST) Regulations, 2011 pursuant to settlement of shares in private family trusts.*

\*Total allotment of 1,00,80,055 equity shares.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Shreekanth Somany - Trustee of Srijan Family Trust</b>					
1	February 11, 2020	2,33,023	4,66,046	-	Inter se transfer in accordance with the SEBI Exemption order under Regulation 11(5) of SEBI (SAST) Regulations, 2011 pursuant to settlement of shares in private family trusts.*

\*Total allotment of 43,37,872 equity shares.

Sr. No.	Date of Transaction	No. of Equity Shares Acquired / Sold	Nominal Value (Rs.)	Transaction Value (Rs.)	Nature of Transaction
<b>Shrivatsa Somany - Trustee of Sanrakshith Family Trust</b>					
1	February 11, 2020	2,33,023	4,66,046	-	Inter se transfer in accordance with the SEBI Exemption order under Regulation 11(5) of SEBI (SAST) Regulations, 2011 pursuant to settlement of shares in private family trusts.*

\*Total allotment of 43,37,872 equity shares.

- 7.3 Pursuant to the proposed Buyback and depending on the response to the Buyback, the aggregate voting rights of the Promoters and members of the Promoter Group and persons in control of the Company, in the Company may change from the existing shareholding of the total equity capital and voting rights of the Company. Assuming response to the Buyback is to the extent of 100% (full Acceptance) from all the public Equity Shareholders up to their Entitlement and assuming full acceptance of Equity Shares in the Buyback as per the Entitlement from those Promoters and members of the Promoter Group who have expressed their intention to participate, the aggregate shareholding of the Promoters and members of the Promoter Group of the Company, post Buyback will increase to 55.04% of the post Buyback equity share capital of the Company. Any further increase in the

voting rights of the Promoters and members of the Promoter Group and persons in control will not result in any change in control of the Company. Please refer to paragraph 15.4 on page 25 of this Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and members of the Promoter Group in the Company.

- 7.4 The Buyback will not result in any benefit to the Promoters and Promoter Group or any Directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.
- 7.5 The Company is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the Stock Exchanges.
- 7.6 Post the Buyback, the public shareholding of the Company shall not fall below the minimum level as required under Regulation 38 of the SEBI Listing Regulations.

## **8. AUTHORITY FOR THE BUYBACK**

- 8.1 The Buyback is being undertaken in accordance with Article 11 of the Articles of Association, Sections 68, 69, 70, 108, 110 and other applicable provisions of the Companies Act, and applicable rules thereunder, including the Share Capital and Debentures Rules, Management and Administration Rules, to the extent applicable, and the Buyback Regulations and SEBI Listing Regulations. The Buyback is subject to receipt of such approvals, permissions, sanctions and exemptions, as may be required under the applicable laws from regulatory and / or statutory authorities including from SEBI, BSE and/ or NSE.
- 8.2 The Buyback has been authorised by the resolution of the Board of Directors passed at their meeting which was held on October 26, 2023, and the special resolution passed by the Equity Shareholders through postal ballot, the results of which were declared on Monday, December 04, 2023.

## **9. NECESSITY OF THE BUYBACK**

The Buyback of shares by the Company is proposed to reward the equity shareholders by way of returning surplus funds, which is in excess of the requirement for ordinary capital expenditure and current investment plans, in an expedient, effective and cost-efficient manner. Below are the broad reasons for the proposed Buyback:

- (i) The Company has no major capital expenditure/ investments planned in immediate future. Hence, surplus cash can be used to reward shareholders.
- (ii) The Buyback will help the Company to do fair distribution of surplus cash to its equity shareholders broadly in proportion to their shareholding, resulting in enhancing the overall return to shareholders.
- (iii) The Buyback will help to optimize the capital structure, thereby reduction in Weighted Average Cost of Capital.
- (iv) The Buyback will help in improving the financial ratios such as earnings per share, return on equity and return on capital employed.
- (v) The Buyback gives the shareholders the choice to either (i) participate in the Buyback and monetize their shareholding or (ii) not to participate in the Buyback and get a resultant increase in their shareholding in the Company post Buyback, without additional investment.

## **10. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY**

- 10.1 The Company believes that the Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full participation in the Buyback, the funds deployed by the Company towards the Buyback would be an aggregate maximum amount of ₹

1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only) which excludes the Transaction Costs.

- 10.2 The Company believes that the Buyback will not in any manner impair its ability to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is likely to result in improvement in earning per Equity Share and enhance the return on equity. The Buyback is being undertaken, *inter alia*, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the Equity Shareholders.
- 10.3 The Promoters and members of the Promoter Group intend to participate in the Buyback. For further details, see “Intention of the Promoters and members of the Promoter Group and persons in control of the Company to tender their Equity Shares in the Buyback” on paragraph 7 on page 17 of this Letter of Offer. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group and persons in control post Buyback may increase from 2,32,69,489 (54.78%), which is the shareholding as at date, to 2,25,67,021 (55.04%) of the post Buyback Equity Share capital of the Company and the aggregate shareholding of the public may decrease from 1,92,04,719 (45.22%), which is the public shareholding as at date, to 1,84,36,599 (44.96%) of the post Buyback Equity Share capital of the Company.
- 10.4 The Buyback is not expected to result in a change in control or otherwise affect the existing management structure of the Company.
- 10.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders (including NRIs, FIIs and FPIs), Indian financial institutions, banks and other shareholders, the shareholding under each category may undergo a change.
- 10.6 As required under Section 68(2)(d) of the Companies Act, 2013 and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice its paid up equity share capital and free reserves post completion of the Buyback, even if the response to the Buyback is to the extent of 100% (full acceptance), on a consolidated and standalone basis.
- 10.7 As per Regulation 24(i)(e) of the Buyback Regulations, the Promoters and members of Promoter Group, and their associates, will not deal in the Equity Shares or other specified securities of the Company either through the Stock Exchanges or off-market transactions (including inter-se transfer of Equity Shares among the Promoters and members of Promoter Group) from the date of passing of the special resolution till the date of closing of the Buyback.
- 10.8 Unless otherwise as may be specifically permitted by SEBI, The Company shall not raise further capital for a period of 1 (one) year from the expiry of the buyback period i.e., the date on which the payment of consideration to Shareholders who have accepted the Buyback Offer is made except in discharge of subsisting obligations. Further, the Company shall not issue any Equity Shares or other securities (including by way of bonus issue till the date on which the payment of consideration to Shareholders who have accepted the Buyback Offer is made in accordance with the Companies Act, 2013 and the Buyback Regulations. The Company shall not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 10.9 Salient financial parameters consequent to the Buyback based on the financial information of audited standalone and consolidated financial statements as on March 31, 2023 are set forth below:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Net Worth ( <i>in INR Lakhs</i> )	78,320.80	65,820.80	78,696.94	66,196.94
Return on Net Worth (%)	12.11%	13.23%	9.45%	10.30%
Basic earnings per Equity Share (INR) of Re.2 each	21.21	21.97	16.83	17.44
Book value per share (INR)	184.40	160.52	185.28	161.44
Price/Earnings ratio (BSE)**	32.62	31.49	41.10	39.68

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Price/Earnings ratio (NSE)**	32.66	31.53	41.16	39.74
Total Debt/Equity Ratio (Times)	0.22	0.27	0.62	0.74

\* The post-buyback numbers are calculated by reducing the Net Worth by the proposed Buyback amount of ₹ 1,25,00,00,000/- (assuming full acceptance), without factoring in tax on buy back of shares and any impact in the statement of profit & loss.

\*\* Share price used to calculate P/E has been taken as closing price of September 29, 2023 on BSE and NSE i.e., INR 691.85 and INR 692.80 respectively.

The key ratios have been computed as below:

Key Ratios	Basis
Net Worth	Paid-up equity share capital and Reserves & Surplus
Return on Net Worth (%)	Net profit after tax / Average Net Worth
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2
Basic earnings per equity share (INR)	Net profit attributable to equity shareholders / Weighted average number of equity shares outstanding during the period
Book value per equity share (INR)	Net Worth / Number of equity shares outstanding at period end
Price/Earnings ratio	Market value per equity share/ Basic earnings per equity share
Total Debt	Current Borrowings and Non-current Borrowings
Total Debt/Equity ratio	Total Debt/ Equity (Paid-up equity share capital and Reserves & Surplus)

## 11. BASIS OF CALCULATING THE BUYBACK OFFER PRICE

- 11.1 The Equity Shares of the Company are proposed to be bought back at a price of ₹ 850/- (Indian Rupees Eight Hundred and Fifty only) per share (“**Buyback Price**”).
- 11.2 The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company, and impact on other financial parameters and the possible impact of the Buyback on the earnings per Equity Share.
- 11.3 The Buyback Price represents:
- premium of 19.90 % and 18.99 % over the volume weighted average market price of the Equity Shares on the NSE and the BSE, respectively, during the 3 (three) months preceding October 20, 2023, being the date of intimation to the Stock Exchanges regarding the Board Meeting Date (“**Intimation Date**”)
  - premium of 21.25 % and 21.41 % over the volume weighted average market price of the Equity Shares on the NSE and BSE respectively, during the 2 (two) weeks period preceding Intimation Date;
  - premium of 23.68 % and 23.32 % over the closing price of the Equity Shares on the NSE and the BSE respectively, as on October 19, 2023, being the day preceding the Intimation Date.
  - premium of 29.02 % and 28.96 % over the closing price of the Equity Share on NSE and BSE, respectively, as on October 26, 2023, on the Board Meeting Date.
- 11.4 For trends in the market price of the Equity Shares, please refer to “*Stock Market Data*” on page 34 of this Letter of Offer
- 11.5 The closing market price of the Equity Shares as on the Intimation Date to the Stock Exchanges for the Board Meeting for considering the Buyback was ₹ 658.80 and ₹ 659.10 on NSE and BSE, respectively.
- 11.6 For further details on certain financial ratios as at March 31, 2023 (“Pre-Buyback”) as derived from our standalone and consolidated audited financial statements and the corresponding ratios assuming full acceptance of Equity Shares in the Buyback (“Post-Buyback”), please refer to “*Financial information about the Company*”



on page 31 of this Letter of Offer

## **12. SOURCES OF FUNDS FOR THE BUYBACK**

- 12.1 Assuming full acceptance, the funds that would be utilised by the Company for the purpose of the Buyback of not exceeding 14,70,588 Equity Shares at a price of ₹ 850/- (Indian Rupees Eight Hundred and Fifty only) per Equity Share would be an aggregate maximum amount of ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only) excluding the Transaction Costs.
- 12.2 The funds for the implementation of the proposed Buyback will be sourced out of free reserves of the Company (retained earnings), internal accruals and/or such other source as may be permitted by the Buyback Regulations or the Companies Act.
- 12.3 The Company will transfer from its free reserves and/or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back pursuant to the Buyback to the capital redemption reserve account and details of such transfer shall be disclosed in the subsequent audited financial statements.
- 12.4 The funds borrowed, if any, from banks and financial institutions will not be used for the purpose of the Buyback.

## **13. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN**

- 13.1 In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed ICICI Bank Limited having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat 390007, as the Escrow Agent for Buyback, and an Escrow Agreement dated December 07, 2023 is entered into amongst the Company, Manager to the Buyback and Escrow Agent.
- 13.2 In accordance with the Buyback Regulations and pursuant to the Escrow Agreement, the Company has opened an Escrow Account in the name and style "SOMANY CERAMICS LIMITED - BUYBACK ESCROW ACCOUNT" bearing account number 000405152287 with the Escrow Agent. In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company deposited a sum of ₹27,50,00,000 (Indian Rupees Twenty Seven Crore Fifty Lakhs Only) in cash in the Escrow Account, which is the aggregate of 25% up to ₹100,00,00,000/- (Indian Rupees Hundred Crore Only) and 10% thereafter of the Buyback Offer Size within 2 working days of Public Announcement in accordance with the Buyback Regulations. In accordance with the Buyback Regulations, the Manager to the Buyback is empowered under the Escrow Agreement to operate the Escrow Account.

## **14. FIRM FINANCIAL ARRANGEMENT**

- 14.1 The Company has adequate and firm financial resources to fulfil its obligations under the Buyback and the same has been certified by Singhi & Co, Chartered Accountants (Firm Registration No: 302049E) through their Partner, Bimal Kumar Sipani (Membership No: 088926), by their certificate dated December 8, 2023. The contact details of Singhi & Co, Chartered Accountants are set forth below:

**Name:** Singhi & Co, Chartered Accountants

**Address:** Unit No 1704, 17 Floor,  
World Trade Tower (WTT), DND Flyway,  
Sector – 16, Noida 201 301 (India)

**Tel.no:** +91 (0120) 297 0005, 92055 75996

**Email :** newdelhi@singhco.com

**Membership No:** 088926

- 14.2 Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

## 15. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

15.1 The present and the post-Buyback capital structure of the Company are set forth below:

Particulars	Pre-Buyback	Post completion of the Buyback <sup>#</sup>
<b>Authorised share capital</b>	32,30,00,000 (16,15,00,000 Equity Shares of INR 2 each)	32,30,00,000 (16,15,00,000 Equity Shares of INR 2 each)
<b>Issued, subscribed and fully paid up share capital</b>	8,49,48,416 (4,24,74,208 Equity Shares of INR 2 each)	8,20,07,240 (4,10,03,620 Equity Shares of INR 2 each)

<sup>#</sup> Assuming full acceptance of the Buyback.

15.2 The Company has not undertaken any buyback in the last 3 (three) years from the date of this Letter of Offer.

15.3 As on the date of this Letter of Offer:

- all Equity Shares are fully paid-up and there are no partly paid-up shares or calls-in-arrears;
- there are no outstanding convertible securities;
- no scheme of amalgamation or compromise or arrangement pursuant to the Companies Act is pending in relation to the Company; and
- The Company confirms that it shall not issue, including through a bonus issue, Equity Shares or any other specified securities, until the expiry of the Buyback Period in accordance with Regulation 24(i)(b) of the Buyback Regulations.

15.4 The shareholding pattern of the Company as on the Record Date i.e. December 15, 2023 (Pre-Buyback) and Post-Buyback is set forth below:

Category of Shareholder	Pre-Buyback		Post-Buyback <sup>#</sup>	
	No. of Equity Shares	% to the existing Equity Share capital	No. of Equity Shares	% to the post-Buyback Equity Share Capital
Promoters and members of the Promoter Group, and persons acting in concert (collectively "the Promoters")	2,32,69,489	54.78	2,25,67,021	55.04
Foreign Investors (including Non-Resident Indians, FIIs)	8,30,233	1.95	1,84,36,599	44.96
Financial Institutions / Banks & Mutual Funds promoted by Banks/ Institutions	98,49,320	23.19		
Others (Public, Public Bodies Corporate etc.)	85,25,166	20.08		
<b>Total</b>	<b>4,24,74,208</b>	<b>100.00</b>	<b>4,10,03,620</b>	<b>100.00</b>

<sup>#</sup> Assuming full acceptance of the Buyback, the issued, subscribed and paid-up equity share capital of the Company would be as fully set out in paragraph 15.1 of this Letter of Offer. Please refer to paragraph 10.3 of this Letter of Offer for details regarding shareholding (pre and post buyback) of the Promoters and members of the Promoter Group in the Company.

## 16. BRIEF INFORMATION ABOUT THE COMPANY

### Product, History and Growth of Business:

16.1 The Company was incorporated as a public limited company named 'Somany Pilkington's Limited' on January 20, 1968 under the Companies Act, 1956 vide certificate of incorporation dated January 20, 1968. Subsequently the name of the Company was changed to SPL Limited on October 18, 1995 and from SPL Limited to Somany Ceramics Limited on January 30, 2007. The corporate identification number of the Company is L40200WB1968PLC224116. The registered office of our Company is located at 2, Red Cross Place, Kolkata – 700 001, India. The Equity Shares are listed on the NSE since November 22, 1995 and on BSE since March 27, 1996.

### 16.2 Business Overview:

The Company, incorporated in 1968, is engaged in the business of tiles, sanitaryware, bath fittings and allied products. It has a diverse product catalogue including tiles, sanitary ware and bath fittings.

The business operations of the Company are broadly divided into five product segments: ceramic tiles, polished vitrified tiles, glazed vitrified tiles, sanitaryware and bath fittings:

**Ceramic Tiles:** Ceramic tiles are flat slabs manufactured from ceramic materials such as clay, feldspar and quartz and certain other additives. These tiles are used in a range of applications, including flooring, as countertops, for roofing and as wall coverings. Ceramic tiles are our major products and account for substantial portion of our total revenue.

**Polished Vitrified Tiles:** Polished vitrified tiles are flat slabs manufactured from ceramic materials such as clay, feldspar and quartz and certain additives. These tiles are fired at high temperatures to ensure high strength and low water absorption, and after such firing these tiles are polished with several series of abrasives to produce an excellent glossy exterior.

**Glazed Vitrified Tiles:** Glazed vitrified tiles are flat slabs manufactured from ceramic materials such as clay, feldspar and quartz and other additives and fired at high temperatures to ensure high strength and low water absorption. These tiles are coated with glaze materials prior to the firing process.

**Sanitaryware:** The Company markets and manufacture a range of sanitary ware products including a range of EWCs, pans, cisterns, wash basins and urinals. These sanitary ware products are typically procured by the Company from third party suppliers in India and are also manufactured by one of our subsidiaries, namely, Somany Sanitaryware Private Limited. The Company also import certain varieties of high-end sanitary ware products.

**Bath Fittings:** The Company markets a range of bath fittings including single lever technology, spouts, pillar taps, bib taps, basin mixers, multi-flow showers, ultra slim rain showers, sensor taps, flush valves, flush cocks, faucets, as well as waste coupling cisterns. In addition, bath fittings includes accessories such as soap dishes, shower trays, and shaving mirrors.

The Company has various manufacturing facilities for tiles, sanitaryware and bath fitting products situated at various location in the country as mentioned below.

Product	Number and Type	Location
Tiles	2 own plants	Kassar (Haryana) and Kadi (Gujarat)
Tiles	1 wholly owned subsidiary	Dhanot (Gujarat)
Tiles	1 subsidiary	Kalahasti (Andhra Pradesh)
Tiles	2 subsidiaries & 3 associates	Morbi (Gujarat)
Sanitaryware	1 subsidiary	Morbi (Gujarat)
Bath Fittings	1 wholly owned subsidiary	Derabassi (Punjab)

The Company has over the years developed a wide distribution network with a Pan-India presence. The Company primarily sell its products through a dealer and sub-dealer network, as well as, directly to customers.

The focus of the Company is on research and development for developing innovative and environmentally-friendly products. The Company has received a patent for abrasion resistant tiles sold under the brand “VC Shield” by the Company.

16.3 **Growth of business of the Company:** For the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Company recorded, standalone total income of ₹ 2,47,038.21 lakhs, ₹ 2,09,591.81 lakhs and ₹ 1,64,547.46 lakhs, respectively. The standalone net profit after tax for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 was ₹ 9,008.47 lakhs, ₹ 8,778.77 lakhs and ₹ 5,520.90 lakhs, respectively. For the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Company recorded, consolidated total income of ₹ 2,49,305.00 lakhs, ₹ 2,10,787.97 lakhs and ₹ 1,66,337.30 lakhs, respectively. The consolidated net profit after tax for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 was ₹ 6,691.66 lakhs, ₹ 9,341.63 lakhs and ₹ 6,058.97 lakhs, respectively. For further details on financial information about the Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, refer to paragraph 17 (*Financial Information about the Company*) of this Letter of Offer.

16.4 Details of the listing of the equity shares on the various stock exchanges is set forth below:

Name of the stock exchange	Date of listing	Whether continues to be listed
BSE	March 27, 1996	Yes
NSE	November 22, 1995	Yes

16.5 The Equity Shares are currently traded in compulsory dematerialised mode under the trading code(s) 531548 at BSE and SOMANYCERA at NSE. The ISIN of the Equity Shares is INE355A01028.

16.6 The following table sets forth the history of the equity share capital of the Company since incorporation:

Date of allotment	Number of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of transaction/Mode of allotment	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
January 22, 1968	7,000	10	10	Subscription to Memorandum	7,000	70,000
April 6, 1968	5,000	10	10	Issue of Shares	12,000	1,20,000
September 29, 1969	78,000	10	10	Preferential Allotment	90,000	9,00,000
December 29, 1969	1,01,200	10	10	Preferential Allotment	1,91,200	19,12,000
March 12, 1970	1,08,800	10	10	Initial Public Offering	3,00,000	30,00,000
March 24, 1972	(150)	10	-	Forfeited	2,99,850	29,98,500
September 25, 1974	100	10	N.A.	Re-issue of Forfeited	2,99,950	29,99,500
February 5, 1977	2,99,950	10	N.A.	Bonus Issue (Ratio 1:1)	5,99,900	59,99,000
July 19, 1984	2,99,950	10	N.A.	Bonus Issue (Ratio 1:2)	8,99,850	89,98,500
January 18, 1988	50	10	N.A.	Re-issue of Forfeited Shares	8,99,900	89,99,000
December 1, 1989	8,99,900	10	N.A.	Bonus Issue (Ratio 1:1)	17,99,800	1,79,98,000
January 3, 1994	3,32,950	10	100	Rights Issue	21,32,750	2,13,27,500
January 3,	1,67,050	10	100	Public Issue	22,99,800	2,29,98,000

Date of allotment	Number of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of transaction/Mode of allotment	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
1994						
January 1, 1996	45,99,600	10	N.A.	Bonus Issue (Ratio 2:1)	68,99,400	6,89,94,000
October 30, 2010	-	2	N.A.	Split of Equity shares from a face value of Rs. 10 each to Rs. 2 each	3,44,97,000	6,89,94,000
February 19, 2014	43,47,826	2	115	Private Placement	3,88,44,826	7,76,89,652
December 22, 2015	35,34,600	2	337.50	QIP	4,23,79,426	8,47,58,852
October 17, 2019	1,90,87,200	2	2	Pursuant to the Scheme of Amalgamation of Bhilwara Holdings Limited ("BHL"), Sarvottam Vanijya Limited ("SVL") & Scope Vinimoy Private Limited ("SVPL") with Somany Ceramics Limited*	4,23,79,426	8,47,58,852
January 13, 2022	94,782	2	2	Pursuant to the Scheme of Amalgamation of Schablona India Limited with Somany Ceramics Limited**	4,24,74,208	8,49,48,416

\* Pursuant to the Scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide its order dated September 04, 2019 (which became effective on 25 September, 2019), 1,90,87,200 fully paid up equity shares of Rs. 2/- each of Somany Ceramics Limited has been allotted to the eligible shareholders of Bhilwara Holdings Limited ("BHL"), Sarvottam Vanijya Limited ("SVL") & Scope Vinimoy Private Limited ("SVPL") as on the Record date i.e. Tuesday, 15 October, 2019, in proportion of their respective shareholding in BHL, SVL and SVPL i.e. 1 fully paid up equity share of Rs. 2/- each of the SCL for every 1 fully paid up equity share of Rs. 2/- each held by BHL, SVL and SVPL in the SCL. since, the 1,90,87,200 equity shares of Rs. 2/- each issued and allotted as above against the cancellation of 1,90,87,200 equity shares of Rs. 2/- each held by BHL, SVL and SVPL, there was no change in the overall capital structure of the Company for the said allotment.

\*\* Pursuant to the Scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide its order dated December 30, 2021.

16.7 The following table sets forth details regarding the Board of the Directors as on the date of this Letter of Offer, i.e., December 19, 2023:

Name, Qualification, Occupation, Age (in years) and DIN	Designation	Date of appointment / re-appointment	Other directorships (in other companies) and designated partnerships in LLPs
<b>Shreekant Somany</b> <b>Qualification:</b> B.Sc. <b>Occupation:</b> Service <b>Age:</b> 75 <b>DIN:</b> 00021423	Chairman & Managing Director	September 1, 1992	<ul style="list-style-type: none"> <li>• SR Continental Limited</li> <li>• Shree Cement Limited</li> <li>• Somany Bathware Limited</li> <li>• JK Tyre and Industries Limited</li> </ul>

Name, Qualification, Occupation, Age (in years) and DIN	Designation	Date of appointment / re-appointment	Other directorships (in other companies) and designated partnerships in LLPs
<p><b>Abhishek Somany</b></p> <p><b>Qualification:</b> Bachelor of Business Administration from Richmond University, U.K. with specialization in Finance &amp; Marketing</p> <p><b>Occupation:</b> Service</p> <p><b>Age:</b> 51</p> <p><b>DIN:</b> 00021448</p>	<p>Managing Director &amp; CEO</p>	<p>September 3, 2001</p>	<ul style="list-style-type: none"> <li>• Somany Bathware Limited</li> <li>• Indian Council of Ceramic Tiles and Sanitaryware</li> </ul>
<p><b>Vineet Agarwal</b></p> <p><b>Qualification:</b> Graduate from Carnegie Mellon University</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 50</p> <p><b>DIN:</b> 00380300</p>	<p>Independent Director</p>	<p>May 1, 2019</p>	<ul style="list-style-type: none"> <li>• Transport Corporation of India Ltd.</li> <li>• TCI Express Ltd.</li> <li>• TCI Developers Ltd.</li> <li>• TCI-CONCOR Multimodal Solutions Pvt. Ltd.</li> <li>• The Associated Chambers of Commerce and Industry of India</li> <li>• TCI Cold Chain Solutions Ltd.</li> <li>• Loglabs Ventures Pvt. Ltd.</li> <li>• Gloxinia Farms Pvt. Ltd.</li> <li>• Transystem Logistics International Pvt. Ltd.</li> </ul>
<p><b>Ghanshyam Girdharbhai Trivedi</b></p> <p><b>Qualification:</b> ICMA, M.Sc., L.LB</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 77</p> <p><b>DIN:</b> 00021470</p>	<p>Non-Executive Non Independent Director</p>	<p>September 1, 2017</p>	<ul style="list-style-type: none"> <li>• Somany Bathware Limited</li> <li>• Trans India Ceramics Private Limited</li> <li>• Yogi Cerachem Private Limited</li> <li>• Xphere India Foundation</li> <li>• Vidres India Ceramics Private Limited</li> <li>• Eurofrits India Private Limited</li> <li>• Earthlux Mineral LLP</li> </ul>
<p><b>Rameshwar Singh Thakur</b></p> <p><b>Qualification:</b> BE (Mechanical Engineering), MBA from XLRI and also Graduate Chartered Institute of Management Accountants (London)</p> <p><b>Occupation:</b> self-occupied</p>	<p>Independent Director</p>	<p>May 24, 2018</p>	<ul style="list-style-type: none"> <li>• Neutral Publishing House Ltd.</li> </ul>

Name, Qualification, Occupation, Age (in years) and DIN	Designation	Date of appointment / re-appointment	Other directorships (in other companies) and designated partnerships in LLPs
<p>Age: 75</p> <p>DIN: 00020126</p>			
<p><b>Rumjhum Chatterjee</b></p> <p><b>Qualification:</b> Graduate in Psychology</p> <p><b>Occupation:</b> self-occupied</p> <p>Age: 63</p> <p>DIN: 00283824</p>	Independent Director	September 9, 2018	<ul style="list-style-type: none"> <li>• C&amp;S Electric Limited</li> </ul>
<p><b>Salil Singhal</b></p> <p><b>Qualification:</b> B.A.</p> <p><b>Occupation:</b> Industrialist</p> <p>Age: 77</p> <p>DIN: 00006629</p>	Independent Director	July 27, 2002	<ul style="list-style-type: none"> <li>• Secure Meters Ltd.</li> <li>• Wolkem India Ltd.</li> <li>• PILL Finance &amp; Investments Ltd.</li> <li>• Mahindra World City (Jaipur)Limited</li> <li>• Indraprastha Medical Corporation Limited</li> <li>• The Lake Palace Hotels &amp; Motels Pvt. Ltd.</li> <li>• Historic Resort Hotels Pvt. Ltd.</li> <li>• Hisense Commerce LLP</li> </ul>
<p><b>Ravinder Nath</b></p> <p><b>Qualification:</b> B.Com, LLB</p> <p><b>Occupation:</b> Self-occupied</p> <p>Age: 79</p> <p>DIN: 00062186</p>	Independent Director	September 26, 2003	<ul style="list-style-type: none"> <li>• Voith Paper Fabrics India Limited</li> <li>• LEGO India Private Limited</li> <li>• Jay Dee Ess Leasing Company Private Limited</li> <li>• Rajinder Narain and Company Consultants LLP</li> <li>• RNC E-Consultants LLP</li> <li>• Agro Developers LLP</li> <li>• Citron Holding LLP</li> <li>• Rajinder Narain &amp; Co. LLP</li> </ul>
<p><b>Siddharath Bindra</b></p> <p><b>Qualification:</b> M.com</p> <p><b>Occupation:</b> Service</p> <p>Age: 49</p> <p>DIN: 01680498</p>	Independent Director	May 26, 2014	<ul style="list-style-type: none"> <li>• BIBA Fashion Limited (formerly known as Biba Apparels Limited and Biba Apparels Private Limited)</li> <li>• Meena Agritech Pvt. Ltd.</li> <li>• Kaveri Tradex Pvt. Ltd.</li> <li>• Khattar Estates Pvt. Ltd.</li> <li>• Kashida Apparels Pvt. Ltd.</li> </ul>

Name, Qualification, Occupation, Age (in years) and DIN	Designation	Date of appointment / re-appointment	Other directorships (in other companies) and designated partnerships in LLPs
			<ul style="list-style-type: none"> <li>Himalayan Crest Power Private Limited</li> <li>Dhanvan Impex LLP</li> </ul>

- 16.8 The changes in our Board during the three years immediately preceding the date of this Letter of Offer i.e., December 19, 2023 are as follows:

Name of Director	Appointment/Cessation	Effective Date	Reasons
Anjana Somany	Cessation	June 16, 2021	-
Ghanshyam Girdharbhai Trivedi	Re-appointment	September 15, 2021	Re-appointment due to attainment of age of seventy five years
Rameshwar Singh Thakur	Re-appointment	May 24, 2023	Re-appointment as an Independent Director
Abhishek Somany	Re-appointment	June 1, 2023	Re-appointment as Managing Director & Chief Executive Officer
Shreekant Somany	Re-appointment	September 1, 2023	Re-appointment as Chairman & Managing Director
Rumjhum Chatterjee	Re-appointment	September 01, 2023	Re-appointment as an Independent Director

- 16.9 The Buyback will not result in any benefit to any directors of the Company, Promoters and members of the Promoter Group, and persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback. The Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buyback will not result in any change in control over the Company.

## 17. FINANCIAL INFORMATION ABOUT THE COMPANY

- 17.1 The selected financial information, as extracted from the audited standalone financial statements of the Company for the last three financial years ended as on March 31, 2023, March 31, 2022, and March 31, 2021 and the unaudited standalone financial statements for the six months ended September 30, 2023, is detailed below:

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the six-month period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1,22,231.45	2,44,270.07	2,07,380.24	1,63,029.09
Other Income	1,566.79	2,768.14	2,211.57	1,518.37
<b>Total Income</b>	<b>1,23,798.24</b>	<b>2,47,038.21</b>	<b>2,09,591.81</b>	<b>1,64,547.46</b>
Total Expense (excluding Interest, Depreciation & Amortization, Tax and Exceptional Items)	1,13,849.40	2,29,605.98	1,92,355.56	1,49,247.24



Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the six-month period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense / (Income)	380.00	787.25	858.5	1,442.54
Depreciation & Amortization	2,188.20	4,356.61	4,682.20	4,454.82
Exceptional Items	336.60	96.79	-	1,844.73
Profit Before Tax	7,044.04	12,191.58	11,695.55	7,558.13
Provision for Tax (including Deferred Tax)	1,736.60	3,183.11	2,916.78	2,037.23
<b>Profit After Tax</b>	<b>5,307.44</b>	<b>9,008.47</b>	<b>8,778.77</b>	<b>5,520.90</b>
Paid-up equity share capital	849.48	849.48	849.48	849.48
Reserves and Surplus*	81,659.01	77,471.32	69,553.67	60,772.07
Net worth	82,508.49	78,320.80	70,403.15	61,621.55
Non-current Borrowings (A)	981.04	800.78	1,776.19	3,847.56
Non-current Lease Liabilities	3,482.44	3,778.44	2,942.21	3,227.90
Current Borrowings (B)	758.55	16,812.12	19,707.92	18,679.38
Current Lease Liabilities	809.84	807.35	644.30	476.19
Total Debt (A+B)	1,739.59	17,612.90	21,484.11	22,526.94

\* Excluding revaluation reserves and miscellaneous expenditure to the extent not written off

17.2 Key financial ratios on standalone basis are as under:

Key Ratio	Unaudited (IND-AS)	Audited (IND-AS)		
	For the six month period ended September 30, 2023*	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per Equity Share (INR) of INR 2 each	12.49	21.21	20.67	13.00
Diluted Earnings per Equity Share (INR) of INR 2 each	12.48	21.21	20.67	13.00
Book value per Equity Share (INR)	194.26	184.40	165.76	145.08
Total Debt/Equity Ratio (Times)	0.02	0.22	0.31	0.37
Return on Net worth (%)	6.60%	12.11%	13.30%	9.31%

\*Figures for the six months period ended September 30, 2023 are not annualized

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (INR)	Net Profit After Tax attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Diluted Earnings per Equity Share (INR)	Net Profit After Tax attributable to equity shareholders /

Key Ratios	Basis
	Weighted average number of Equity Shares outstanding during the period
Book value per Equity Share (INR)	Net worth / Number of equity shares outstanding at period end
Total Debt/Equity Ratio	Total Debt / Equity (Paid-up equity share capital and Reserves & Surplus)
Return on Net worth (%)	Net Profit After Tax / Average Net Worth
Total Debt	Current Borrowings and Non-current Borrowings
Net Worth	Paid-up equity share capital and Reserves & Surplus
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2

17.3 The selected financial information, as extracted from the audited consolidated financial statements of the Company for the last three financial years ended as on March 31, 2023, March 31, 2022, and March 31, 2021, and the unaudited consolidated financial statements for the six months ended September 30, 2023, is detailed below:

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the six month period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1,24,168.69	2,47,850.73	2,09,446.05	1,65,059.37
Other Income	621.26	1,454.27	1,341.92	1,277.93
<b>Total Income</b>	<b>1,24,789.95</b>	<b>2,49,305.00</b>	<b>2,10,787.97</b>	<b>1,66,337.30</b>
Total Expense (excluding Interest, Depreciation & Amortisation, Tax and Exceptional Items)	1,12,697.05	2,28,980.33	1,88,792.51	1,46,042.24
Interest Expense / (Income)	2,215.24	4,035.99	2,963.92	4,013.83
Depreciation & Amortisation	3,439.18	6,785.25	6,395.29	6,162.83
Exceptional Items	661.51	217.68	-	1,844.73
Profit Before Tax	5,776.97	9,285.75	12,636.25	8,273.67
Provision for Tax (including Deferred Tax)	1,567.17	2,594.09	3,294.62	2,214.70
<b>Profit After Tax</b>	<b>4,209.80</b>	<b>6,691.66</b>	<b>9,341.63</b>	<b>6,058.97</b>
<b>Profit After Tax - attributable to the owners of the company</b>	<b>4,387.51</b>	<b>7,149.16</b>	<b>8,868.71</b>	<b>5,702.31</b>
Paid-up equity share capital	849.48	849.48	849.48	849.48
Reserves and Surplus <sup>^</sup>	81,115.01	77,847.46	71,780.17	63,225.30
Net worth	81,964.49	78,696.94	72,629.65	64,074.78
Non-current Borrowings (A)	19,820.05	18,511.02	17,461.17	15,143.04
Non-current Lease Liabilities	3,482.44	3,778.44	2,942.21	3,227.90
Current Borrowings (B)	12,943.89	30,325.83	30,193.85	27,203.26
Current Lease Liabilities	809.84	807.35	644.30	476.19
Total debt (A+B)	32,763.94	48,836.85	47,655.02	42,346.30

<sup>^</sup> Excluding revaluation reserves

17.4 Key financial ratios on consolidated basis are as under:

Key Ratios	Unaudited (IND-AS)	Audited (IND-AS)		
	For the six month period ended September 30, 2023*	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per Equity Share (INR) of INR 2 each	10.33	16.83	20.88	13.43
Diluted Earnings per Equity Share (INR) of INR 2 each	10.32	16.83	20.88	13.43
Book value per Equity Share (INR)	192.97	185.28	171.00	150.86
Total Debt/Equity Ratio (Times)	0.40	0.62	0.66	0.66
Return on Net worth (%)	5.46%	9.45%	12.98%	9.25%

\*Figures for the six months period ended September 30, 2023 are not annualized

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (INR)	Net Profit After Tax attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Diluted Earnings per Equity Share (INR)	Net Profit After Tax attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Book value per Equity Share (INR)	Net worth / Number of Equity Shares outstanding at period end
Total Debt/Equity Ratio	Total Debt / Equity (Paid-up equity share capital and Reserves & Surplus)
Return on Net worth (%)	Net Profit After Tax / Average Net Worth
Total Debt	Current Borrowings and Non-current Borrowings
Net Worth	Paid-up equity share capital, Reserves & Surplus and Non- controlling interests
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2

17.5 The Company hereby declares that it will comply with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, if it becomes applicable, in connection with the Buyback.

17.6 The Company hereby also declares that it has complied with and will comply with Sections 68, 69 and 70 of the Companies Act, and all other provisions of the Companies Act, as may be applicable to the Buyback.

## 18. STOCK MARKET DATA

18.1 The Equity Shares are currently traded in compulsory dematerialised mode under the trading code(s) 531548 at BSE and SOMANYCERA at NSE. The ISIN of the Equity Shares is INE355A01028.

18.2 The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement i.e. Wednesday, December 06, 2023 and their corresponding volumes on BSE and NSE are given below:

**BSE**

Period	High (₹) <sup>#</sup>	Date of High	Number of Equity Shares traded on that date	Low (₹) <sup>##</sup>	Date of Low	Number of Equity Shares traded on that date	Average Price (₹) <sup>*</sup>	Total volume of Equity Shares traded in the period (Number of Equity Shares)
<b>Preceding three years</b>								
April 1, 2022 to March 31, 2023	729.80	April 13, 2022	6,899	445.40	December 23, 2022	2,275	568.19	14,12,256
April 1, 2021 to March 31, 2022	952.45	November 17, 2021	13,889	405.00	April 05, 2021	5,108	693.87	21,19,418
April 1, 2020 to March 31, 2021	460.00	March 01, 2021	6,562	86.60	May 22, 2020	5,753	226.45	25,92,706
<b>Preceding six months</b>								
November 1, 2023 to November 30, 2023	729.30	November 09, 2023	5,930	648.55	November 02, 2023	5,478	668.17	69,358
October 1, 2023 to October 31, 2023	727.95	October 23, 2023	4,089	650.00	October 26, 2023	10,429	690.09	43,524
September 1, 2023 to September 30, 2023	769.90	September 11, 2023	6,854	678.80	September 29, 2023	3,257	711.77	68,568
August 1, 2023 to August 31, 2023	770.00	August 07, 2023	9,857	641.90	August 11, 2023	33,785	710.73	3,76,758
July 1, 2023 to July 31, 2023	818.00	July 12, 2023	42,249	684.70	July 10, 2023	19,914	724.05	2,44,424
June 1, 2023 to June 30, 2023	724.00	June 15, 2023	11,606	607.05	June 1, 2023	4,769	679.43	203,447

<sup>#</sup> High of the daily high prices.

<sup>##</sup> Low of the daily low prices.

<sup>\*</sup> Arithmetic average of the closing prices of all trading days during the said period.

Source: www.bseindia.com

NSE

Period	High (₹)#	Date of High	Number of Equity Shares traded on that date	Low (₹)##	Date of Low	Number of Equity Shares traded on that date	Average Price (₹)*	Total volume of Equity Shares traded in the period (Number of Equity Shares)
<b>Preceding three years</b>								
April 1, 2022 to March 31, 2023	738.85	April 13, 2022	97,912	446.00	December 23, 2022	48,758	568.01	1,00,52,979
April 1, 2021 to March 31, 2022	970.00	November 17, 2021	76,723	406.50	April 19, 2021	75,601	696.99	1,53,01,402
April 1, 2020 to March 31, 2021	453.50	March 02, 2021	54,087	87.00	May 20, 2020	83,068	226.49	3,24,20,086
<b>Preceding six months</b>								
November 1, 2023 to November 30, 2023	726.00	November 09, 2023	2,00,414	653.00	November 08, 2023	66,807	667.91	11,95,921
October 1, 2023 to October 31, 2023	730.30	October 23, 2023	72,203	649.30	October 26, 2023	2,41,465	690.24	8,23,946
September 1, 2023 to September 30, 2023	761.30	September 11, 2023	60,641	682.05	September 25, 2023	26,137	712.04	11,15,286
August 1, 2023 to August 31, 2023	770.00	August 07, 2023	44,589	640.10	August 11, 2023	5,91,208	711.12	20,24,608
July 1, 2023 to July 31, 2023	819.00	July 12, 2023	6,46,274	685.05	July 10, 2023	37,723	724.18	24,12,749
June 1, 2023 to June 30, 2023	724.40	June 15, 2023	1,84,193	634.05	June 1, 2023	80,013	680.11	15,13,658

# High of the daily high prices.

## Low of the daily low prices.

\* Arithmetic average of the closing prices of all trading days during the said period.

Source: www.nseindia.com

18.3 The closing market price of the Equity Shares of the Company:

Event	Date	BSE (₹)	NSE (₹)
1 (one) trading day prior to the prior intimation of convening the Board Meeting	October 19, 2023	689.25	687.25
Date of prior intimation of convening the Board	October 20, 2023	680.75	682.90

Event	Date	BSE (₹)	NSE (₹)
Meeting			
1 (One) trading day prior to the Board Meeting	October 25, 2023	673.15	674.20
The date of Board Meeting approving the Buyback and the Postal Ballot Notice	October 26, 2023	659.10	658.80
1 (one) trading day post the Board Meeting	October 27, 2023	668.80	668.40
Date of publication of the Public Announcement	December 6, 2023	719.05	722.35

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

## 19. DETAILS OF THE STATUTORY APPROVALS

- 19.1 The Board at its meeting held on Thursday, October 26, 2023 approved the proposal for the Buyback. The Equity Shareholders approved the Buyback by way of a special resolution pursuant to Postal Ballot Notice through e-voting on December 02, 2023, the results of which were announced on December 04, 2023.
- 19.2 The Buyback will be subject to such necessary approvals as may be required under the applicable laws from the Appropriate Authorities including from SEBI, RBI, BSE and/ or NSE, and the Buyback from non-resident Shareholders, erstwhile overseas corporate bodies and other applicable categories will be subject to such approvals of Appropriate Authorities, lenders if any. As on the date of this Letter of Offer, the Company has outstanding facilities with lenders. The Company has obtained such approvals as may be required from the lenders pursuant to the provisions of such facilities.
- 19.3 The Buyback from each Eligible Shareholder is subject to all statutory consents and approvals as may be required by such Eligible Shareholder under applicable laws and regulations. The Eligible Shareholder shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the RBI, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. An Eligible Shareholder would be required to provide copies of all such consents and approvals obtained by them to the Registrar to the Buyback. The Buyback of Shares from Non-Resident Shareholders, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc., will be subject to approvals, if any, of the Appropriate Authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment in respect of the Equity Shareholders for whom no prior approval from the RBI is required and not accept Equity Shares from the Equity Shareholders in respect of whom prior approval from the RBI is required and in the event copies of such approvals are not submitted. Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.
- 19.4 Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 19.5 By agreeing to participate in the Buyback, each Eligible Shareholder (including each Non-Resident Shareholder) undertakes to complete all relevant regulatory/statutory filings and compliances to be made by it under applicable law, including filing of Form FC-TRS. Further, by agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to take all necessary action, including to make, sign, execute, deliver, acknowledge and perform all actions/applications to file regulatory reporting's, filings and compliances, if required, including form FC-TRS, if necessary and undertake to provide assistance to the Company for such regulatory reporting if required by the Company.
- 19.6 As on date, the Company confirms that there is no other statutory or regulatory approval required by it for the Buyback as on the date of this Letter of Offer, other than as indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approval(s) and the Company shall obtain such statutory approvals as may be required, from time to time, if any. In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback, if any, shall be intimated to the Stock Exchanges.

- 19.7 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the FEMA and rules and regulations framed thereunder, if any, Income Tax Act and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the FEMA and rules and regulations framed thereunder, if any.
- 19.8 The reporting requirements for non-resident shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/or the Seller Member through which the Eligible Shareholder places the bid.

## **20. DETAILS OF REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE**

- 20.1 Eligible Shareholders are required to send Tender Form along with the other requisite document(s), as mentioned in “*Procedure for Tender Offer and Settlement*” on paragraph 22 on page 43 of this Letter of Offer along with TRS generated by the stock exchange bidding system upon placing of a bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback, so that the same are received on or before the Buyback Closing Date by 5:00 p.m (IST). The envelope should be super scribed as “Somany Ceramics Limited - Buyback 2023”. The Company has appointed Maheshwari Datamatics Private Limited as the Registrar to the Buyback and in case of any query, the shareholders may contact the Registrar to the Buyback on any day, except Saturday, Sunday and public holidays between 10:00 a.m. and 5:30 p.m. (IST) at the following address:



### **Maheshwari Datamatics Pvt Ltd.**

Office No. 23, R.N. Mukherjee Road, 5th floor, Kolkata, West Bengal, 700001

**Tel.:** 033 - 22435809/22435029

**Fax:** 033 - 22484787

**Contact Person:** Mr. Ravi Bahl

**E-mail:** mdpldc@yahoo.com

**Website:** www.mdpl.in

**Investor Grievance Email:** mdpldc@yahoo.com

**SEBI Registration. No.:** INR000000353

**Validity Period:** Perpetual

**CIN:** U20221WB1982PTC034886

- 20.2 For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the confirmation of lien marked in demat account of the Eligible Shareholders to the Clearing Corporation and a valid bid in the exchange bidding system, the bid for buyback shall be deemed to have been accepted for Eligible Shareholders holding the equity shares in demat form.

**THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK.**

**ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.**

## **21. PROCESS AND METHODOLOGY FOR THE BUYBACK**

- 21.1 The Company has proposed the Buyback of not exceeding of up to 14,70,588 Equity Shares (representing 3.46% of the total number of Equity Shares in the existing total issued and paid-up equity capital of the Company as per the audited financial statements as of March 31, 2023), from all Eligible Shareholders on a proportionate basis, through the ‘tender offer’ process, at a price of ₹ 850/- (Indian Rupees Eight Hundred and Fifty Only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty Five Crores only) excluding the Transaction Costs, which represents 15.18% and 15.17% of the aggregate of the paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company as on March 31, 2023, respectively (being the latest audited

standalone and consolidated financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback). The Equity Shareholders of the Company approved the Buyback by way of special resolution through postal ballot (by way of remote e-voting), on Saturday, December 02, 2023.

- 21.2 The Buyback is pursuant to Article 11 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 108, 110 and all other applicable provisions, if any, of the Companies Act and the relevant rules made thereunder including the Share Capital and Debentures Rules, Management and Administration Rules, to the extent applicable, and the provisions of the Buyback Regulations and SEBI Listing Regulations. The Buyback is subject to receipt of such approvals of the statutory, regulatory or governmental authorities, as may be required under the applicable laws including from the RBI, SEBI, and/ or the Stock Exchanges.
- 21.3 The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- 21.4 The aggregate shareholding of the Promoters and members of the Promoter Group as at the date of this Letter of Offer is 2,32,69,489 Equity Shares which represents 54.78% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and members of the Promoter Group and persons in control of the Company have an option to participate in the Buyback. In this regard, the Promoters and members of the Promoter Group and the persons in control have expressed their intention of participating in the Buyback. In this regard, the promoters have expressed their intention to participate in the Buyback by way of their letters each dated October 26, 2023, and may tender up to: (i) an aggregate maximum of 12,49,994 Equity Shares or; (ii) such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations.
- 21.5 Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Entitlement including the Promoters, the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may increase to 55.04% post Buyback from the current pre Buyback shareholding of 54.78%, and the aggregate shareholding of the public shareholders in the Company may decrease to 44.96% post Buyback from the current pre Buyback shareholding of 45.22%.
- 21.6 **Record Date, ratio of Buyback and Buyback Entitlement:**
- 21.6.1 As required under the Buyback Regulations, the Company has fixed Friday, December 15, 2023, as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders of the Equity Shares, who are eligible to participate in the Buyback.
- 21.6.2 The Equity Shares to be bought back, as part of the Buyback is divided into two categories and the Entitlement of a shareholder in each category shall be calculated accordingly:
- (a) Reserved category for Small Shareholders (“Reserved Category”); and
- (b) General Category for all Eligible Shareholders other than Small Shareholders (“General Category”).
- 21.6.3 ‘Small Shareholder’ has been defined under Regulation 2(i)(n) of the Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than ₹2,00,000/- (Indian Rupees Two Lakh Only), on the basis of closing price on BSE or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date. As on the Record Date, the volume of Equity Shares traded on BSE was 24,685 Equity shares and on NSE was 1,25,353 Equity Shares. Accordingly, NSE being the stock exchange with highest trading volume, the closing price was ₹737.70 and hence all Eligible Shareholders holding not more than 271 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback.
- 21.6.4 Based on the above definition, there are 42,960 Small Shareholders with aggregate shareholding of 12,79,147 Equity Shares (as on the Record Date), which constitutes 3.01% of the outstanding number of Equity Shares of the Company and 86.98% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buyback.
- 21.6.5 In accordance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders (Reserved Category), will be higher of:



- (a) 15% of the number of Equity Shares which the Company proposes to Buyback (15% of 14,70,588 Equity Shares), which works out to 2,20,589 Equity Shares; or
- (b) The number of Equity Shares to which the Small Shareholders are entitled as per their shareholding as on the Record Date (i.e.,  $12,79,147 / 4,24,74,208 \times 14,70,588$ ), which works out to 44,289 Equity Shares.

21.6.6 Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 2,20,589 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 12,49,999 Equity Shares.

21.6.7 Based on the aforementioned, the entitlement ratio of Buyback for both categories is set forth below:

Category	Entitlement ratio in the Buyback*
Reserved Category for Small Shareholders	5 Equity Shares out of every 29 Equity Shares as on record date
General Category for all other Eligible Shareholders	8 Equity Shares out of every 265 Equity Shares as on record date

*\*The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is 0.17245 % and General Category for all other eligible Shareholders is 0.030343 %.*

## 21.7 Fractional Entitlements

If the Buyback Entitlement under Buyback, after applying the above-mentioned ratios to the Equity Shares held on the Record Date, is not a round number (i.e., not in the multiple of 1 (one) Equity Share), then the fractional Entitlement shall be ignored for computation of the Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 5 or less Equity Shares as on the Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered additional Equity Shares. The Company shall make its best efforts, subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

## 21.8 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category:

In accordance with this Letter of Offer, the Acceptance in the Buyback from the Reserved Category will be implemented in the following order of priority:

- (a) Full Acceptance (100%) from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post-acceptance as described in paragraph 21.8 (a) above, in case there are any Equity Shares left to be bought back from the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered additional Equity Shares as part of the Buyback, they shall be given preference and one Equity Share each from the additional Equity Shares applied by such Small Shareholders would be bought back in the Reserved Category.
- (c) Post-acceptance as described in paragraphs 21.8 (a) and 21.8 (b) above, in case there are any validly tendered unaccepted Equity Shares in the Reserved Category (“**Reserved Category Additional Equity Shares**”) and Equity Shares left to be bought back in the Reserved Category, the Reserved Category Additional Equity Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations (i.e., valid Acceptance per Small Shareholder shall be equal to the Reserved Category Additional Equity Shares validly tendered by them divided by the total Reserved Category Additional Equity Shares and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category). For the purpose of this calculation, the Reserved Category Additional Equity Shares taken into account for the Small Shareholders, from whom one Equity Share has been Accepted in accordance with paragraph 21.8 (b) above, shall be reduced by one.

- (d) The procedure of adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 21.8 (c) above, is set forth below:
  - (i) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50 (zero point five zero), then the fraction would be rounded off to the next higher integer.
  - (ii) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50 (zero point five zero), then the fraction shall be ignored.
- (e) In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in this paragraph 21 of this Letter of Offer.

**21.9 Basis of Acceptance of Equity Shares validly tendered in the General Category:**

In accordance with this Letter of Offer, the Acceptance in the Buyback from the General Category will be implemented in the following order of priority:

- (a) Full Acceptance (100%) in the General Category from the Eligible Shareholders who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post-acceptance as described in paragraph 21.9 (a) above, in case there are any validly tendered unaccepted Equity Shares in the General Category (“**General Category Additional Shares**”) and Equity Shares left to be bought back in the General Category, the General Category Additional Equity Shares shall be accepted in the proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations (i.e., valid Acceptance per Eligible Shareholder shall be equal to the General Category Additional Equity Shares validly tendered by them divided by the total General Category Additional Equity Shares and multiplied by the total pending number of Equity Shares to be Accepted in General Category).
- (c) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 21.9 (b) above:
  - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (ii) For any Eligible Shareholder if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.
- (d) In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer.

**21.10 Basis of Acceptance of Equity Shares between Categories:**

- (a) In case there are any Equity Shares left to be bought back in one category (“**Partially Filled Category**”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately (i.e., valid Acceptances per Eligible Shareholder shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Shareholder in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category).

- (b) If the Partially Filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been Accepted in accordance with “Basis of Acceptance of Equity Shares validly tendered in the Reserved Category” will be reduced by one Equity Share and shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 21.10 (a) above out of the Equity Shares left to be bought back in the Partially Filled Category, provided no Acceptance could take place from such shareholder in accordance with paragraph 21.8 of this Letter of Offer.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as described in paragraph 21.10 (a) and 21.10 (b) above:
  - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (ii) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.
- (d) In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer

**21.11 For avoidance of doubt, it is clarified that:**

- (a) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- (b) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date;
- (c) the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above; and
- (d) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer.

**21.12 Clubbing of Entitlements**

In accordance with Regulation 9(ix) of the Buyback Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher Entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General) and Entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension

funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

## **22. PROCEDURE FOR TENDER OFFER AND SETTLEMENT**

### **A. GENERAL**

- 22.1 The Buyback is open to all Eligible Shareholders/beneficial owners of the Company holding Equity Shares either in physical or electronic form, as on the Record Date.
- 22.2 The Company proposes to implement the Buyback through the Tender Offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback and additional disclosures as specified in the Buyback Regulations, will be sent to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date, as per the Buyback Regulations and such other circulars or notifications, as may be applicable.
- 22.3 The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier, upon request. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 22.25 of this Letter of Offer.
- 22.4 The Company will not accept any Equity Shares offered in the Buyback which are under any restraint order of a Court/ any other competent authority for transfer/ disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or is otherwise not clear and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or where any other restraint subsists or otherwise.
- 22.5 The Company shall comply with Regulation 24(v) of the Buyback Regulations which restricts the Company from buying back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the time the Equity Shares become transferable.
- 22.6 The Eligible Shareholders’ participation in the Buyback will be voluntary. The Eligible Shareholders may choose to participate, in full or in part, and receive cash in lieu of the Equity Shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post-Buyback, without additional investment. The Eligible Shareholders may also tender a part of their Buyback Entitlement. The Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder, shall be in terms of procedure outlined in this Letter of Offer.
- 22.7 The Company will accept Equity Shares validly tendered for the Buyback by the Eligible Shareholders, on the basis of their Buyback Entitlement. Additional Equity Shares, if any, tendered by Eligible Shareholders will be accepted as per the procedure laid out in paragraph 21 on page 38 of this Letter of Offer.
- 22.8 Eligible Shareholders will have to transfer their Demat Shares from the same demat account in which they were holding such Demat Shares (as on the Record Date). In case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Demat Shares were held (as on Record Date), such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback, and such tendered Demat Shares may be Accepted subject to appropriate verification and validation by the Registrar. The Board or the Buyback Committee authorised by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 22.9 The Equity Shares proposed to be bought back in the Buyback is divided into two categories and the entitlement

of a shareholder in each category shall be calculated accordingly:

- (a) Reserved Category for Small Shareholders; and
- (b) the General Category for all other Eligible Shareholders.

- 22.10 After Accepting the Equity Shares tendered on the basis of the Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in the other category.
- 22.11 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the maximum tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 22.12 For implementation of the Buyback, the Company has appointed ICICI Securities Limited as the registered broker to the Company (the “**Company’s Broker**”) to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buyback and through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:



**ICICI Securities Limited**

**Address:** ICICI Bank Ltd, Capital

Markets Division , 5th Floor, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai – 400025, Maharashtra, India.

**Tel. No.:** +91 022 6807 7469

**Fax No.:** +91 22 6807 7801

**Contact Person:** Mitesh Shah

**Email:** mitesh.shah@icicisecurities.com

**Website:** [www.icicisecurities.com](http://www.icicisecurities.com)

**SEBI Registration No.:** INZ000183631

**CIN:** L67120MH1995PLC086241

- 22.13 The Buyback will be implemented using the “*Mechanism for acquisition of shares through Stock Exchange*” issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and circular no. CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and in accordance with the procedure prescribed in the Companies Act and the Buyback Regulations, or notices issued by the NSE and as may be determined by the Board of Directors, or the Buyback Committee, on such terms and conditions as may be permitted by law from time to time.
- 22.14 The Company shall request NSE, being the Designated Stock Exchange, to provide a separate window (the “**Acquisition Window**”) to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the Acquisition Window will be as specified by NSE from time to time. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Seller Member(s)**”).
- 22.15 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company Broker. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers (“**Seller Member(s)**”) during normal trading hours of the secondary market. The Seller Members can enter orders for Equity Shares held in dematerialized form as well as physical form. In the tendering process, the Company’s Broker may also process the orders received from the Eligible Shareholders.
- 22.16 In the event the Seller Member of any Eligible Shareholder is not registered with NSE as a trading member/ stockbroker/, then that Eligible Shareholder can approach any NSE registered stock broker and can register himself by using web based unique client code application (“**UCC**”) facility through that NSE registered stock

broker (after submitting all details as may be required by such NSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register himself by using UCC facility through any other registered stock broker, then that Eligible Shareholder may approach the Company's Broker i.e., ICICI Securities Limited, to place their bids, subject to completion of KYC requirements as required by the Company's Broker.

- 22.17 The Eligible Shareholder approaching the Designated Stock Exchange registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker and may *inter alia* include:

**In case of Eligible Seller being an individual**

**If Eligible Seller is registered with KYC Registration Agency ("KRA"): Forms required:**

- (a) Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- (b) Know Your Client (KYC) form Documents required (all documents self-attested):
  - Bank details (cancelled cheque)
- (c) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

**If Eligible Seller is not registered with KRA: Forms required:**

- (a) CKYC form including FATCA, IPV, OSV if applicable
- (b) KRA form
- (c) KYC form Documents required (all documents self-attested):
  - PAN card copy
  - Address proof
  - Bank details (cancelled cheque)
- (d) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Seller is HUF:**

**If Eligible Seller is registered with KYC Registration Agency ("KRA"): Forms required:**

- (a) Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- (b) Know Your Client (KYC) form Documents required (all documents self-attested):
  - Bank details (cancelled cheque)
- (c) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

**If Eligible Seller is not registered with KRA: Forms required:**

- (a) CKYC form of KARTA including FATCA, IPV, OSV if applicable
- (b) KRA form
- (c) Know Your Client (KYC) form Documents required (all documents self-attested):
  - PAN card copy of HUF & KARTA
  - Address proof of HUF & KARTA
  - HUF declaration
  - Bank details (cancelled cheque)
- (d) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Seller other than Individual and HUF:**

**If Eligible Seller is KRA registered: Form required**

- (a) Know Your Client (KYC) form Documents required (all documents certified true copy)
  - Bank details (cancelled cheque)
- (b) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

- (c) FATCA, IPV, OSV if applicable
- (d) Latest list of Directors/authorised signatories/partners/trustees
- (e) Latest shareholding pattern
- (f) Board resolution
- (g) Details of ultimate beneficial owner along with PAN card and address proof
- (h) Last 2 years financial statements

If Eligible Seller is not KRA registered: Forms required:

- (a) KRA form
- (b) Know Your Client (KYC) form Documents required (all documents certified true copy):
  - PAN card copy of company/ firm/trust
  - Address proof of company/ firm/trust
  - Bank details (cancelled cheque)
- (c) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- (d) FATCA, IPV, OSV if applicable
- (e) Latest list of Directors/authorised signatories /partners/trustees
- (f) PAN card copies & address proof of Directors/authorised signatories/partners/trustees
- (g) Latest shareholding pattern
- (h) Board resolution/partnership declaration
- (i) Details of ultimate beneficial owner along with PAN card and address proof
- (j) Last 2 years financial statements
- (k) MOA/Partnership deed /trust deed

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

- 22.18 All Eligible Shareholders, through their Seller Member will be eligible and responsible to place orders in the Acquisition Window.
- 22.19 During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective Seller Member during normal trading hours of the secondary market. The Seller Member can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders. The reporting requirements for Non-Resident Shareholders under the FEMA and any other rules, regulations, guidelines, for remittance of funds, shall be completed by the Eligible Shareholder and/or the Seller Member through which the Eligible Shareholder places the bid.
- 22.20 Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 22.21 Modification/ cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback.
- 22.22 The cumulative quantity tendered shall be made available on the website of NSE at [www.nseindia.com](http://www.nseindia.com) throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 22.23 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 22.24 Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
  - (a) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
  - (b) Duly attested death certificate and succession certificate/legal heirship certificate, in case any Eligible Shareholder has expired; and
  - (c) In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

**THE NON-RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE LETTER OF OFFER, SHALL NOT INVALIDATE THE BUYBACK IN ANY MANNER. PLEASE NOTE THAT THE COMPANY SHALL ACCEPT EQUITY SHARES VALIDLY TENDERED FOR THE BUYBACK OFFER ON THE BASIS OF THEIR HOLDING AND ENTITLEMENT AS APPEARING IN THE RECORDS OF THE COMPANY AS ON THE RECORD DATE.**

**22.25 In case of non-receipt of the Letter of Offer and the Tender Form:**

**22.25.1 In case the Eligible Shareholders holds Equity Shares in dematerialised form :**

If any Eligible Shareholder who is holding Equity Shares in dematerialized form and has been sent the Letter of Offer through electronic means, wishes to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name/ ID, beneficiary account number. Upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company at [www.somanyceramics.com](http://www.somanyceramics.com) or the Registrar to the Buyback at [www.mdpl.in](http://www.mdpl.in) by providing their application in writing on plain paper, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback. For further process, please refer to paragraph 22.26 titled “*Procedure to be followed by Eligible Shareholders holding Demat Shares*” on page 48 of this Letter of Offer.

**22.25.2 In case the Eligible Shareholders holds Equity Shares in physical form:**

An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company at [www.somanyceramics.com](http://www.somanyceramics.com) or the Registrar to the Buyback at [www.mdpl.in](http://www.mdpl.in) by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favour of the Company. The transfer Form (SH-4) can be downloaded from the Company’s website at [www.somanyceramics.com](http://www.somanyceramics.com) or the website of Registrar to the Buyback at [www.mdpl.in](http://www.mdpl.in). Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 22.27 below), reach the Registrar to the Buyback on or before the Buyback Closing Date (by 5:00 p.m. (IST)). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar to the Buyback/Company or are not in the same order (although attested), the Company/Registrar to the Buyback shall have a right to reject such applications. For further process, please refer to paragraph 22.27 titled “*Procedure to be followed by Eligible Shareholders holding Physical Shares*” on page 49 of this Letter of Offer.

All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to adequately safeguard their interests in this regard.

**The Company shall accept Equity Shares validly tendered by the Eligible Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the ‘plain paper’ option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback, before participating in the Buyback.**

**Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by the Stock Exchanges before the Buyback Closing Date, otherwise the same are liable to be rejected.**

The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to



either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

**22.26 Procedure to be followed by Eligible Shareholders holding Demat Shares:**

- 22.26.1 Eligible Shareholders who desire to tender their Equity Shares held by them in dematerialised form under the Buyback would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buyback.
- 22.26.2 The Seller Member(s) would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of NSE. For further details, Eligible Shareholders may refer to the circulars issued by NSE and Clearing Corporation.
- 22.26.3 The details of the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by NSE or the Clearing Corporation.
- 22.26.4 The lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buyback. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by depositories to the Clearing Corporation.
- 22.26.5 In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buyback shall be blocked in the shareholders demat account at the source depository during the Tendering Period. Inter Depository Tender Offer (“**IDT**”) instruction shall be initiated by the Eligible Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Eligible Shareholder’s securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- 22.26.6 For custodian participant orders for dematerialized Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian participant shall either confirm or reject the orders no later than the closing of trading hours (i.e. 3:30 p.m. (IST)) on the last day of the Tendering Period (i.e. Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 22.26.7 Upon placing the bid, the Seller Member shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered, etc.
- 22.26.8 In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted. It is clarified that in case of dematerialized Equity Shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporations and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- 22.26.9 The Eligible Shareholders will have to ensure that they keep the depository participant account active and unblocked. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company. In the event if any equity shares are tendered to clearing corporation, excess dematerialized equity shares or unaccepted dematerialized equity shares, if any, tendered by the eligible shareholders would be returned to them by clearing corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the shareholder broker’s (seller member’s) depository pool account for onward transfer to the eligible shareholder. In case of custodian participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be returned to the respective custodian depository pool account.

22.26.10 Eligible shareholders who have tendered their demat shares in the buyback shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested death certificate and succession certificate/legal heirship certificate, in case any eligible shareholder is deceased, or court approved scheme of merger/amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

**22.27 Procedure to be followed by Eligible Shareholders holding Physical Shares:**

In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Eligible Shareholders holding Equity Shares in physical form can participate in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations. The procedure is as below:

22.27.1 Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents include (i) the Tender form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares) (ii) original Equity Share certificate(s), (iii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of the Eligible Shareholder's PAN card, (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

22.27.2 Based on the aforesaid documents, the concerned Seller Member shall place the bid on behalf of the Eligible Shareholder who is holding Equity Shares in physical form and intend to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.

22.27.3 The Seller Member/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original Equity Share certificate(s) and documents (as mentioned above) along with the TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the registrar to the Buyback i.e. Maheshwari Datamatics Private Limited at the address mentioned at paragraph 29 on page 60 or the collection centre of the Registrar, details of which will be included in the Letter of Offer, within 2 days of bidding by Seller Member and the same should reach not later than the buyback closing date. The envelope should be super-scribed as "Somany Ceramics Limited - Buyback 2023". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Shareholder.

22.27.4 The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids' and displayed on the website of NSE.

22.27.5 In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the Tendering Period of the Buyback.

22.27.6 All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) or an invalid certificate(s) enclosed

with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar of the Company and (v) Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

#### **22.28 Additional requirements in respect of tenders by the Non-Resident Shareholders:**

- 22.28.1 While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them. In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- 22.28.2 Eligible Shareholders who are FIIs/FPIs should also enclose a copy of their SEBI registration certificate.
- 22.28.3 In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder's authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident Shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.
- 22.28.4 If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.
- 22.28.5 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- 22.28.6 The reporting requirements for Non-Resident Shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders.
- 22.28.7 The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

#### **B. ACCEPTANCE OF ORDERS**

The Registrar to the Buyback shall provide details of order Acceptance to the Clearing Corporation within specified timelines.

#### **C. METHOD OF SETTLEMENT**

Upon finalization of the basis of acceptance as per Buyback Regulations:

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- (ii) The Company will pay the consideration to the Company's Broker who will transfer the consideration pertaining to the Buyback to the Clearing Corporation's Bank account as per the prescribed schedule.

For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to the respective Eligible Shareholders. If any Eligible Shareholder's bank account details are not available or if the fund transfer instruction is rejected by the RBI or relevant bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' settlement bank account or onward transfer to such Eligible Shareholder. In case of non receipt of funds in their bank account the Eligible Shareholders should get in touch with their broker as the bounced amount reverts back to the broker concerned. The Company/RTA are not involved in the settlement process.

- (iii) For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- (iv) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective stock broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the NSE and the Clearing Corporation from time to time.
- (v) Details in respect of shareholder's entitlement for tender process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- (vi) In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- (vii) Excess or unaccepted physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the concerned Eligible Shareholders directly by Registrar to the Buyback. The Company is authorised to split the share certificate and issue new consolidated share certificate or Letter of Confirmation in lieu thereof for the unaccepted Equity Shares in physical form, in case the Equity Shares accepted by the Company are less than the Equity Shares that are tendered.
- (viii) The Equity Shares bought back in dematerialized form would be transferred directly to the escrow account of the Company ("Company Demat Escrow Account") provided it is indicated by the Company Broker or it will be transferred by the Company Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.
- (ix) Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company. Any excess Physical Shares pursuant to proportionate acceptance/ rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback.
- (x) The Seller Member(s) would issue contract note to their respective Eligible Shareholders for the Equity Shares accepted under the Buyback. The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (xi) Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller

Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Eligible Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Manager to the Buyback and the Company accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

- (xii) The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- (xiii) The Equity Shares accepted, bought and lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

(xiv) **SPECIAL ACCOUNT OPENED WITH THE CLEARING CORPORATION**

The details of transfer of the Demat Shares to the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of the Clearing Corporation by trading members or custodians shall be informed in the issue opening circular that will be issued by the NSE or the Clearing Corporation.

**D. REJECTION CRITERIA**

- (i) The Equity Shares tendered by Eligible Shareholders holding Demat Shares would be liable to be rejected on the following grounds:
  - (a) the Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
  - (b) if there is a name mismatch in the demat account of the Eligible Shareholder and PAN.
- (ii) The Equity Shares tendered by Eligible Shareholders holding Physical Shares would be liable to be rejected on the following grounds, if:
  - (a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before 5 p.m. (IST) on Thursday, December 28, 2023 ;or
  - (b) If the share certificate of the Company is not enclosed with the Tender Form; or
  - (c) If there is any other company's share certificate/ invalid certificate enclosed with the Tender Form instead of the share certificate of the Company; or
  - (d) If the transfer/ transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or
  - (e) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
  - (f) In the event the signature in the Tender Form and Form SH - 4 do not match as per the specimen signature recorded with Company or Registrar to the Buyback; or
  - (g) Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; or
  - (h) If the PAN cards (self-attested) of the shareholder and all the joint holders, are not submitted with the form.

## 23. NOTE ON TAXATION

Disclosures in this section are based on an opinion sought by the Company from Sanghai & Associates, Chartered Accountants, dated December 18, 2023. The contact details for Sanghai & Associates, Chartered Accountants is as follows:

### **Sanghai & Associates, Chartered Accountants**

P-2, New C.I.T Road, Kolkata-700073

Ph.: 2237-4701, 22368515

Email: Sanghai\_associates@yahoo.co.in

Firm Registration Number: 314162E

The opinion is reproduced below –

### **Quote**

#### **1. General**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS ON THESE TAX CONSIDERATIONS.**

**IN VIEW OF THE COMPLEXITY AND THE SUBJECTIVITY INVOLVED IN THE TAX CONSEQUENCES OF A BUY BACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE TAX TREATMENT IN THEIR HANDS CONSIDERING THE RELEVANT TAX PROVISIONS, FACTS AND CIRCUMSTANCES OF THEIR CASE.**

**THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND EXPLICITLY DISOWNS ANY LIABILITY ARISING OUT OF ANY ACTION INCLUDING A TAX POSITION TAKEN BY THE ELIGIBLE SHAREHOLDER BY RELYING ON THIS SUMMARY.**

The Indian tax year runs from April 1 to March 31 of subsequent year. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act, 1961 ("ITA").

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. Vide Finance Act, 2020, certain non-resident individuals are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.

In case of shares of a company, the source of income from shares would depend on the "situs" of the shares. As per ITA and Judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the Double Taxation Avoidance Agreement ("DTAA"), as modified by the Multilateral Instrument ("MLI"), if the same is applicable to the relevant DTAA between India and the respective country of which the said shareholder is tax resident.

The above benefit may be available subject to satisfying relevant conditions prescribed under ITA including but not limited to availability of Tax Residency Certificate, non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under

ITA as well as satisfying the relevant conditions under the respective DTAA including anti-abuse measures under the MLI, if applicable.

## 2. Classification of Shareholders

Section 6 of the ITA, determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

- i. Resident Shareholders being:
  - Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”), Firm, Limited Liability Partnership (“LLP”)
  - Others (corporate bodies):
    - Company
    - Other than Company
- ii. Deemed Resident Shareholder —an individual being a citizen of India who is not liable to tax in any other country or territory by reason of domicile, residence or any other criteria of similar nature and has total income other than foreign sourced income exceeding Rs.15 lakh during the tax year.
- iii. Non-Resident Shareholders being:
  - NRIs
  - Flls/FPIs
  - Others:
    - Foreign Company
    - Foreign non-corporate shareholders

## 3. Income tax provisions in respect of buyback of equity shares listed on the recognized stock exchange

Section 115QA of the ITA introduced w.e.f. June 1, 2013 contains provisions for taxation of a domestic company in respect of buy-back of shares (within the meaning of Section 68 of the Act). In effect, the incidence of tax stands shifted completely to the Company and not the recipient of the buyback proceeds. Before the enactment of Finance Act (No. 2), 2019, this section was not applicable to shares listed on a recognized stock exchange. The Finance Act (No. 2), 2019 has amended section 115QA of the ITA with effect from July 5, 2019 extending its provisions to cover distributed income on buy-back of equity shares of a company listed on a recognized stock exchange as well.

Section 10(34A) of the ITA provided for tax exemption to a shareholder in respect of income arising from buy-back of shares w.e.f. April 1, 2014 (i.e. Assessment year 2014-15). The Finance Act (No. 2), 2019 has also made consequential changes to section 10(34A) of the ITA extending the benefit of tax exemption on income from buy-back to shareholders in respect of shares listed on recognized stock exchange as well.

Thus, the tax implications to the following categories of shareholders are as under:

### A. Resident Shareholders or Deemed Resident Shareholders

Income arising to the shareholder on account of buy-back of shares as referred to in Section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) of the ITA with effect from July 5, 2019.

### B. Non-Resident Shareholders

While the income arising to the shareholder on account of buy back of shares as referred to in Section 115QA of the ITA is exempt from tax under the provisions of the amended Section 10(34A) with effect from July 5, 2019 in the hands of a non-resident as well, the same may be subject to tax in the country of residence of the shareholder as per the provisions of the tax laws of that country. The credit of tax may or may not be allowed to such Non-resident shareholder to be claimed in the country of residence in respect of the buy-back tax paid by the Company in view of Section 115QA (4) and (5) of the ITA. Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

#### 4. Tax Deduction at Source

In absence of any specific provision under the current Income Tax Act, the Company is not required to deduct tax at source on the consideration payable to resident shareholders pursuant to the Buyback.

##### **Caveat:**

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

In view of the specific nature of tax consequences, shareholders who are not tax residents of India are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant Country or State tax law and provisions of DTAA where applicable.

The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein.

#### 5. Securities Transaction Tax

Since the Buyback of shares shall take place through the settlement mechanism of the Stock Exchange, Securities Transaction Tax will be applicable at applicable rate.

##### Unquote

#### 24. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations:

- 24.1 The Board confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.
- 24.2 The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed an opinion that:
- (a) immediately following the board meeting, being Thursday, October 26, 2023 (“**Board Resolution**”) and the date on which the results of shareholders’ resolution passed by way of postal ballot will be declared (“**Shareholder Resolution**”) approving the proposed Buyback offer will be announced, there will be no grounds on which the Company can be found unable to pay its debts;
  - (b) as regards the Company’s prospects for the year immediately following date of the Board Resolution as well as the date of the Shareholder Resolution, having regard to Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will, in the Board’s view be, available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 (one) year from the date of the Shareholder Resolution; and
  - (c) in forming the aforesaid opinion, the Board has taken into account the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016 (to the extent notified).

This declaration is made and issued under the authority of the Board of Directors in terms of the resolution passed at the meeting of held on Thursday, October 26, 2023.



**For and on behalf of the Board of Directors of Somany Ceramics Limited**

*Sd/-*

*Sd/-*

**Shreekant Somany**  
**Chairman and Managing Director**  
**DIN:00021423**

**Abhishek Somany**  
**Managing Director and Chief Executive Officer**  
**DIN: 00021448**

**25. REPORT BY THE COMPANY'S STATUTORY AUDITOR ON PERMISSIBLE CAPITAL PAYMENT**

The text of the report dated October 26, 2023, received from Statutory Auditors of the Company ("Auditor's Report") addressed to the Board of the Company is reproduced below:

**Quote**

Date: October 26, 2023

To,  
Board of Directors,  
Somany Ceramics Limited ("Company")  
2, Red Cross Place, Kolkata,  
West Bengal, India, 700 001.

Dear Sir/ Madam,

Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by Somany Ceramics Limited (the "**Company**") pursuant to the requirements of the Companies Act, 2013 (the "**Act**") and Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "**Buyback Regulations**")

1. This Report is issued in accordance with the terms of our engagement letter dated October 26, 2023.
2. The Board of Directors of the Company have approved a proposal for buyback of Equity Shares by the Company at its Meeting held on October 26, 2023, in pursuance of the provisions of Sections 68, 69 and 70 of the Act and the Buyback Regulation.
3. The management of the Company has prepared the accompanying Annexure A- Statement of permissible capital payment as on March 31, 2023 ('the Statement') pursuant to the proposed buy-back of equity shares. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of Section 68(2)(c) of the Act and based on the latest audited standalone and consolidated financial statements for the year ended March 31, 2023. This Statement has been prepared by the Management, which we have initialled for the purposes of identification only.

**Management's Responsibility for the Statement**

4. The preparation of the Statement in compliance with Section 68(2)(c) of the Act and ensuring compliance with the Buyback Regulations is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting or date of declaration of results of the postal ballot for special resolution by the shareholders at which the proposal for buy-back was approved and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buy-back was

approved by the Board of Directors of the Company or date of declaration of results of the postal ballot for special resolution by the shareholders and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of Section 68 (6) of the Act and the Buyback Regulations.

**Auditor's Responsibility:**

6. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:
  - i. we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2023;
  - ii. the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2023 in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations.
  - iii. the Board of Directors of the Company, in their Meeting held on October 26, 2023 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date or date of declaration of results of postal ballot for special resolution by the shareholders with regard to the proposed buyback are declared.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria mention in paragraph 6 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the report. We have performed the following procedures in relation to the Statement:
  - i. We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended March 31, 2023;
  - ii. Examined authorization for buyback from the Articles of Association of the Company;
  - iii. Examined that the amount of permissible capital payment for the buy-back as detailed in Annexure A in accordance with the requirements of section 68(2) (c) of the Act, based on the audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2023;
  - iv. Examined that the ratio of debt (secured and unsecured) owned by the Company, if any, is not more than twice the capital and its free reserve after such buyback based on audited standalone and consolidated financials of the Company as at and for the year ended March 31, 2023;
  - v. Examined that all shares for buy-back are fully paid-up;
  - vi. Read the resolutions passed in the meetings of the Board of Directors;
  - vii. Obtained required explanations and representations from management; and
  - viii. Examined the Board of Directors' declaration for the purpose of buy-back and solvency of the Company.
8. The annual audited standalone and consolidated financial statements referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated May 23, 2023. We conducted our audit of the annual standalone and consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('the

ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

9. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.

### **Opinion**

11. Based on inquiries conducted and our examination as above, we report that:
  - i. We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2023, which have been approved by the Board of Directors of the Company on May 23, 2023.
  - ii. The amount of permissible capital payment towards the proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2)(c) of the Act.
  - iii. The Board of Directors of the Company, at their meeting held on October 26, 2023 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date or date of declaration of results of postal ballot for special resolution by the shareholders.

### **Restriction on use**

12. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law; and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (c) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Singhi & Co.  
Chartered Accountants  
(Firm Registration No.302049E)

Bimal Kumar Sipani  
Partner  
(Membership No. 088926)  
UDIN: 23088926BGXBMJ9485

Place: Noida (Delhi-NCR)

Date: October 26, 2023

**Annexure A to Statutory Auditor's Report dated October 26, 2023 - Statement of Permissible Capital Payment**

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Act and Buyback Regulations as amended, based on annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2023.

Particulars		Rs. in Crores	
		Standalone	Consolidated
Paid up Equity Share Capital As on March 31, 2023 (4,24,74,208 fully paid up Equity Shares of Rs 2 each)	(A)	8.49	8.49
Free Reserves as on March 31, 2023			
Securities Premium Account		169.92	169.92
General Reserve		61.12	61.91
Surplus in statement of profit and loss		584.07	583.47
Total Free Reserves	(B)	815.11	815.30
<b>Total paid-up capital and free reserves</b>	<b>C= (A+B)</b>	<b>823.60</b>	<b>823.79</b>
Maximum amount permissible towards buyback of equity shares in accordance with Section 68(2)(c) of the Companies Act, 2013 (25 % of Paid up equity capital and free reserves)	C*25%	205.90	205.95
<b>Amount approved by the Board of Directors for buy-back in the meeting held on October 26, 2023</b>		<b>125.00</b>	<b>125.00</b>
<b>Buy back size as a percentage of total paid-up Equity Share Capital and free reserves</b>		<b>15.18%</b>	<b>15.17%</b>

Note: The amount of paid up equity share capital and free reserves as at March 31, 2023 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2023.

For and on behalf of Board of Directors of Somany Ceramics Limited

Abhishek Somany  
Managing Director & CEO  
October 26, 2023

**Unquote**

**26. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the registered office of the Company at 2, Red Cross Place, Kolkata, West Bengal-700001 between 10:30 a.m. and 5.00 p.m. (IST) on any day, except Saturday, Sunday and public holidays or on the website of the Company (i.e., [www.somanyceramics.com](http://www.somanyceramics.com)) in accordance with the Buyback Regulations and such other circulars or notification, as may be applicable, during the Tendering Period:

- (a) Copy of the certificate of incorporation;

- (b) Copy of Memorandum and Articles of Association of the Company;
- (c) Copy of the audited standalone and consolidated financial statements and annual reports of the Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and copy of the unaudited (limited review) standalone and financial statements for the six months period ended September 30, 2023;
- (d) Copy of the resolution passed by the Board of Directors at the meeting held on Thursday, October 26, 2023, approving the proposal for Buyback and the copy of the special resolution of the Equity Shareholders of the Company passed through postal ballot (by way of remote e-voting) dated December 02, 2023;
- (e) Copy of Report dated October 26, 2023, received from the Statutory Auditor of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
- (f) Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under Section 68(6) of the Companies Act;
- (g) Copy of the Escrow Agreement dated December 07, 2023;
- (h) Certificate dated December 08, 2023 received from Singhi & Co, Chartered Accountants, certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations.
- (i) Copy of the opinion on the note on taxation, dated December 18, 2023, obtained by the Company from Sanghai & Associates.
- (j) Copy of Public Announcement for Buyback dated December 05, 2023, published on December 06, 2023.

## **27. DETAILS OF COMPANY SECRETARY AND COMPLIANCE OFFICER**

The Company has appointed Ambrish Julka as the Compliance Officer for the purpose of the Buyback. Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, on all working days except Saturday, Sunday and public holidays during office hours i.e., 10:00 a.m. (IST) to 5:00 p.m. (IST):

**Ambrish Julka, Company Secretary**

**Somany Ceramics Limited**

**Regd. Office:** 2, Red Cross Place, Kolkata, West Bengal-700001

**CIN:** L40200WB1968PLC224116CIN

**Tel. No.:** +033-22487406/5913

**Email:** [corporateaffairs@somanyceramics.com](mailto:corporateaffairs@somanyceramics.com)

**Website:** [www.somanyceramics.com](http://www.somanyceramics.com)

## **28. DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS**

- 28.1 In case of any grievances relating to the Buyback (including non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach the Company Secretary and Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.
- 28.2 The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies,  
Nizam Palace, 2<sup>nd</sup> floor, MSO Building,  
Kolkata, West Bengal 700020.

## **29. DETAILS OF THE INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUYBACK**

In case of any query, the shareholders may also contact Maheshwari Datamatics Private Limited, the Registrar to the Buyback / Investor Service Centre for the purposes of the Buyback, on any day except Saturday and Sunday and public holiday between 10:00 a.m. to 5:30 p.m. (IST) at the following address:



**Maheshwari Datamatics Private Limited.**

**Office No.** 23, R.N. Mukherjee Road, 5th floor, Kolkata, West Bengal, 700001

**Tel.:** 033 - 22435809/22435029

**Fax:** 033 - 22484787

**Contact Person:** Mr. Ravi Bahl

**E-mail:** [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

**Website:** [www.mdpl.in](http://www.mdpl.in)

**Investor Grievance Email:** [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

**SEBI Registration. No.:** INR000000353

**Validity Period:** Perpetual

**CIN:** U20221WB1982PTC034886

**30. DETAILS OF THE MANAGER TO THE BUYBACK**



**ICICI Securities Limited**

ICICI Venture House, Appasaheb Marathe Marg,

Prabhadevi, Mumbai – 400025,

Maharashtra, India

**Tel No.:** + 91 022 6807 7100

**Contact Person:** Ashik Joisar

**Email:** [somanybuyback@icicisecurities.com](mailto:somanybuyback@icicisecurities.com)

**Website:** [www.icicisecurities.com](http://www.icicisecurities.com)

**SEBI Registration No.:** INM000011179

**CIN:** L67120MH1995PLC086241

**31. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER**

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors accepts full responsibility for the information contained in this Letter of Offer to the extent it pertains to the information related to the Company, and for the information contained in all other advertisements, circulars, brochures, publicity materials etc., which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on Thursday, October 26, 2023, and by the Buyback Committee through resolution passed on Tuesday, December 19, 2023.

**For and on behalf of the Board of Directors of Somany Ceramics Limited**

*Sd/-*

*Sd/-*

*Sd/-*

*Sd/-*

**Abhishek Somany  
Managing Director  
and  
Chief Executive Officer  
DIN: 00021448**

**Siddharath Bindra  
Independent Director  
DIN: 01680498**

**Sailesh Raj  
Kedawat  
Chief Financial  
Officer**

**Ambrish Julka  
Company Secretary**

**Place:** December 19, 2023

**Date:** Noida

**32. TENDER FORM**

- 32.1 Tender Form (for Eligible Shareholders holding Equity Shares in dematerialized form)
- 32.2 Tender Form (for Eligible Shareholders holding Equity Shares in physical form)
- 32.3 Form No. SH-4 – Securities Transfer Form

**TENDER FORM (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALISED FORM) FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

Bid Number:  
Date:

BUY-BACK OPENS ON		Thursday, December 21, 2023	
BUY-BACK CLOSES ON		Thursday, December 28, 2023	
For Registrar / Collection Centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/> Individual/HUF	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> FVCI	
<input type="checkbox"/> Foreign Company	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> Pension/ PF/	
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/ FI	<input type="checkbox"/> Others (specify)	
<input type="checkbox"/> Venture Capital Fund	<input type="checkbox"/> Partnership/LLP		
<input type="checkbox"/> Mutual Fund	<input type="checkbox"/> Insurance Co.		
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	<input type="checkbox"/> Resident of	
		(Shareholder to fill the	
		the	
Route of Investment (For NR Shareholders only) : Please tick appropriate			
<input type="checkbox"/> Portfolio Investment Scheme	<input type="checkbox"/> Foreign Investment Scheme		

To,  
The Board of Directors  
**Somany Ceramics Limited**  
2, Red Cross Place, Kolkata, West Bengal-700001  
**C/o Maheshwari Datamatics Private Limited**  
Office No. 23, R.N. Mukherjee Road, 5th floor,  
Kolkata, West Bengal, 700001  
Tel.: 033 - 22435809/22435029  
Fax: 033 - 22484787

Dear Sir/Madam,

Sub: **Letter of Offer dated December 19, 2023 in relation to the buyback of not exceeding 14,70,588 fully paid-up equity shares of face value of ₹2/- each (the "Equity Shares") of Somany Ceramics Limited (the "Company") at a price of ₹850/- per Equity Share (Buyback Offer Price) through the tender offer process, pursuant to the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("SEBI Buyback Regulations") and the Companies Act, 2013, as amended ("Buyback") payable in cash.**

- I / We having read and understood the Letter of Offer dated December 19, 2023 issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender/offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of documents and that the consideration will be paid as per the secondary market mechanism.
- I/We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Equity Shareholder as per the provisions of SEBI Buyback Regulations and circulars issued by SEBI.
- I / We agree to receive, at my/our own risk, the invalid / unaccepted Equity Shares under the Buyback in the demat account from where I / we have tendered the Equity Shares in the Buyback.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We acknowledge that the responsibility to discharge tax, if any, due on any gains arising on the buyback is on me/us. I/We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me/us on buyback of shares. I/We also undertake to provide the Company, the relevant details in respect of the taxability/non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act 2013 and the rules made there under and SEBI Buyback Regulations and any other applicable laws.
- Details of Equity Shares held and tendered / offered for Buyback :

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (Friday, December 15, 2023)		
Number of Equity Shares Entitled for Buy-back (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including additional shares, if any)		

**Note:** An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 22 on page 43 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

- Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Somany Ceramics Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the SEBI Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

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**ACKNOWLEDGMENT SLIP: SOMANY CERAMICS LIMITED BUYBACK 2023**  
(To be filled by the Eligible Shareholder) (Subject to verification)

Folio No./DP ID: \_\_\_\_\_  
Received from Mr./Ms./M/s: \_\_\_\_\_

Client ID: \_\_\_\_\_

**Form of Acceptance-cum-Acknowledgement, Original TRS along with:**

No. of Equity Shares offered for Buyback (In Figures) \_\_\_\_\_ (In Words) \_\_\_\_\_

Stamp of Broker/ Registrar

Please quote Client ID No. & DP ID No. for all future correspondence \_\_\_\_\_



## 14. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

15. I/We hereby declare that we have instructed the above mentioned DP, with whom, I/we hold an account to transfer the number of shares as mentioned under serial no. 12 above to Company Shares Buyback Account (Client ID no. [▲]), held with DP (DP ID no. [▲]). A copy of delivery instruction issued to the DP, duly endorsed by the DP is enclosed.

## 16. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2
Full Name(s) of the Holder			
Signature(s)*			
PAN			
Address of the Sole/First Equity Shareholder			
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder:	

\* Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application form submitted.

## 17. Applicable for all Non-resident shareholders only.

- I/We undertake to pay income taxes in India (whether by deduction of tax at source or otherwise) on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within the applicable time period for such payment. I/We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.
- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any, and to the extent required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India

## INSTRUCTIONS

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

1. This Offer will open on Thursday, December 21, 2023 and close on Thursday, December 28, 2023.
2. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating the details of the Equity Shares they intend to tender under the Buyback. For Further details, please see the procedure as specified in the section entitled "Procedure for Tender Offer and Settlement" on paragraph 22 on page 43 of the Letter of Offer.
3. Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buyback (as mentioned in paragraph 29 on page 60 of the Letter of Offer) only post placing the bid via the Seller Member.
4. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger; and (iii) the requisite form filed with MCA intimating the merger.
5. **The Buyback shall be rejected for Eligible Shareholders holding Equity Shares in dematerialized form in case of receipt of the completed Tender Form and other documents but non- receipt of Equity Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
6. The shares in the Buyback would be liable to be rejected if (i) the tenderer is not an Eligible Shareholder of the Company as on the Record Date; (ii) if there is a name and PAN mismatch in the demat account of the Eligible Shareholder; and (iii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in dematerialized form
7. The Equity Shares tendered in the offer shall be rejected if there is a name mismatch in the demat account of the Eligible Shareholder and PAN.
8. The shares offered by the tenderer shall be rejected if he/she is not an Eligible Shareholder of the Company as on the Record date.
9. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the SEBI Buyback Regulations.
10. Eligible Shareholders to whom the Buyback offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
11. For the procedure to be followed by Eligible Shareholders for tendering Equity Shares in the Buyback, please refer to paragraph 22 on page 43 of the Letter of Offer.
12. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
13. By agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
14. In the event of non-receipt of the Letter of Offer by an Eligible Shareholder, the Eligible Shareholder holding Equity Shares may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Eligible Shareholders(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number and the number of Equity Shares tendered for the Buyback.
15. Eligible Sellers have to fill up the EVENT number issued by the depository in the column for settlement details along with the market type as "Buyback", ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that Equity Shares can be tendered in the Buyback.
16. Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
17. For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre: Somany Ceramics Limited Buyback 2023  
Maheshwari Datamatics Pvt Ltd.**

Office No. 23, R.N. Mukherjee Road, 5th floor, Kolkata, West Bengal, 700001  
Tel: 033 - 22435809/22435029; Fax: 033 - 22484787

Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com); Investor Grievance Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com); Website: [www.mdpl.in](http://www.mdpl.in) Contact Person: Mr. Ravi Bahl  
SEBI Registration No.: INR000000353; CIN: U20221WB1982PTC034886

**TENDER FORM (FOR ELIGIBLE SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)  
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

Bid Number:  
Date:

BUY-BACK OPENS ON	Thursday, December 21, 2023	
BUY-BACK CLOSES ON	Thursday, December 28, 2023	
For Registrar / Collection Centre use		
Inward No.	Date	Stamp
<i>Status (please tick appropriate box)</i>		
Individual/HUF	FII/FPI	FVCI
Foreign Company	NRI/OCB	Pension/ PF/
Body Corporate	Bank/ FI	Others (specify)
Venture Capital Fund	Partnership/LLP	
Mutual Fund	Insurance Co.	
<b>India Tax Residency Status: Please tick appropriate box</b>		
Resident in India	Non-Resident in India	Resident of
		(Shareholder to fill the
<b>Route of Investment (For NR Shareholders only) : Please tick appropriate</b>		
Portfolio Investment Scheme	Foreign Investment Scheme	

To,  
The Board of Directors  
**Somany Ceramics Limited**  
2, Red Cross Place, Kolkata, West Bengal-700001  
C/o Maheshwari Datamatics Private Limited  
Office No. 23, R.N. Mukherjee Road, 5th floor,  
Kolkata, West Bengal, 700001  
Tel.: 033 - 22435809/22435029  
Fax: 033 - 22484787

Dear Sir/Madam,

**Sub: Letter of Offer dated December 19, 2023 in relation to the buyback of not exceeding 14,70,588 fully paid-up equity shares of face value of ₹2/- each (the "Equity Shares") of Somany Ceramics Limited (the "Company") at a price of ₹850/- per Equity Share ("Buyback Offer Price") through the tender offer process, pursuant to the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended and the Companies Act, 2013, as amended ("Buyback") payable in cash.**

- I / We having read and understood the Letter of Offer dated December 19, 2023 issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender/ offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Seller Member as per secondary market mechanism.
- I/We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Equity Shareholder as per the provisions of SEBI Buyback Regulations and circulars issued by SEBI.
- I/ We acknowledge that the responsibility to discharge tax, if any, due on any gains arising on buyback is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- I / We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of documents and that the consideration may be paid to the first named Eligible Shareholder as per the secondary market mechanism.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act 2013 and the rules made there under and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended, and any other applicable laws.
- I / We authorise the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity Shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback.
- Eligible Shareholders holding Equity Shares in physical form are advised to get their shares dematerialized before tendering their Equity Shares in the Buyback.
- Details of Equity Shares held and tendered / offered for Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (Friday, December 15, 2023)		
Number of Equity Shares Entitled for Buy-back (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including additional shares, if any)		

*Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 22 on page 43 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.*

- Details of Share Certificate(s) enclosed: \_\_\_\_\_ Total no. of Share Certificates submitted: \_\_\_\_\_

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	
1					
2					
<b>Total:</b>					

In case the number of folios and share certificates exceed four nos., please attach a separate sheet giving details in the same format as above.

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**ACKNOWLEDGMENT SLIP: SOMANY CERAMICS LIMITED BUYBACK 2023**  
(To be filled by the Equity Shareholder) (Subject to verification)

Folio No.: \_\_\_\_\_

Received from Mr. / Ms. / M/s. \_\_\_\_\_

Form of Acceptance-cum-Acknowledgment, Original TRS along with:

No. of Equity Shares offered for Buyback (In figures) \_\_\_\_\_ (In Words) \_\_\_\_\_

Please quote Folio No. for all future correspondence \_\_\_\_\_

Stamp of Broker/ Registrar

17. Details of the bank account of the sole or first Eligible Shareholder to be incorporated in the consideration warrant (to be mandatorily filled):

Name of the Bank	Branch and City	IFSC and MICR Code	Account Number (indicate type of account)

18. Details of other documents (Please (✓) as appropriate, if applicable) enclosed:

Power of Attorney		Previous RBI approvals for acquiring the Equity Shares of Somany Ceramics Limited hereby tendered in the Buyback
Death Certificate		Succession Certificate
Self-attested copy of Permanent Account Number (PAN card)		Corporate authorisations
TRS		Others (please specify)

19. **Applicable for all Non-resident shareholders:**

- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any, and to the extent required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
- I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within the applicable time period for such payment. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.

20. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2
Full Name(s) Of the Holder			
Signature(s)*			
PAN			
Address of the Sole/First Equity Shareholder			
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder	

\*Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorisation should be enclosed with the application form submitted.

#### INSTRUCTIONS

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on Thursday, December 21, 2023 and close on Thursday, December 28, 2023.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback should submit the following documents to their Seller Member. The Eligible Shareholders / Seller Member in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar; the documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents by 5:00 p.m. IST on or before Thursday, December 28, 2023 directly to the Registrar shall result in the rejection of the tendered Equity Shares: (i) the Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) original share certificates; (iii) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company/Registrar) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company; (iv) self-attested copy of the Shareholder's PAN Card; (v) any other relevant documents such as (but not limited to) (a) duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form; (b) notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder has deceased; and (c) necessary corporate authorisations, such as board resolutions etc., in case of companies; (vi) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback on or before the Buyback Closing Date i.e. Thursday, December 28, 2023 by 5:00 p.m. IST.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger; and (iii) the requisite form filed with MCA intimating the merger.
- Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding the number of Shares held by them as on Record Date.
- All documents / remittances sent by or to Eligible Shareholders will be at their own risk and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
- It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender Form.
- For procedure followed by Eligible Shareholders for tendering shares in the buyback, please refer to paragraph 22 on page 43 of the Letter of Offer.
- All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others: (a) if any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company; (b) non-submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder has deceased; (c) if the Eligible Shareholder(s) tender the Equity Shares but the Registrar does not receive the share certificate; (d) in case the signature on the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar; (e) if necessary corporate authorizations under official stamp are not accompanied with tender form; (f) if the transmission of the Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or (g) the Form SH-4 is not witnessed.
- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
- The Equity Shares tendered in the buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Thursday, December 28, 2023 by 5:00 p.m. IST..
- By agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
- Note: Any shareholder should tender only one form, irrespective of the number of folios he holds. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected**

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

-----Tear along this line-----

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NUMBER:**

**Investor Service Centre: Somany Ceramics Limited Buyback  
2023 Maheshwari Datamatics Pvt Ltd.**

Office No. 23, R.N. Mukherjee Road, 5th floor, Kolkata, West Bengal, 700001

Tel: 033 - 22435809/22435029; Fax: 033 - 22484787

Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com); Investor Grievance Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com); Website: [www.mdpl.in](http://www.mdpl.in) Contact Person: Mr. Ravi Bahl  
SEBI Registration No.: INR000000353; CIN: U20221WB1982PTC034886

## Form No. SH-4 - Securities Transfer Form

Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules, 2014

Date of execution: \_\_\_/\_\_\_/\_\_\_

**FOR THE CONSIDERATION** stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: 

L	4	0	2	0	0	W	B	1	9	6	8	P	L	C	2	2	4	1	1	6
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Name of the company (in full): SOMANY CERAMICS LIMITED

Name of the Stock Exchange where the company is listed, (if any) : BSE Limited and National Stock Exchange of India Limited

### DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Share	₹ 2/-	₹ 2/-	₹ 2/-

No. of Securities being Transferred		Consideration received (₹)	
In figures	In words	In words	In figures

Distinctive Number	Form		
	To		

Corresponding Certificate Nos.			

### Transferors' Particulars

Registered Folio Number:

Name(s) in full	PAN No.	Signature(s)
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

I, hereby conform that the transferor has signed before me.

Signature of the Witness: \_\_\_\_\_

Name of the Witness: \_\_\_\_\_

Address of the Witness: \_\_\_\_\_

\_\_\_\_\_

Pincode: \_\_\_\_\_

**Transferees' Particulars**

<b>Name in full (1)</b>	<b>Father's/ Mother's / Spouse Name (2)</b>	<b>Address &amp; E-mail id (3)</b>
<b>SOMANY CERAMICS LIMITED</b>	<b>NOT APPLICABLE</b>	2, Red Cross Place, Kolkata, West Bengal-700001 corporateaffairs@somanyceramics.com
<b>Occupation (4)</b>	<b>Existing Folio No., if any (5)</b>	<b>Signature (6)</b>
<b>BUSINESS</b>		1. _____ 2. _____ 3. _____

<b>Folio No. of Transferee</b>	<b>Specimen Signature of Transferee(s)</b>
1. _____	1. _____
2. _____	2. _____
	3. _____

Value of Stamp affixed: ` \_\_\_\_\_

**Stamps**

Enclosures:

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, \_\_\_\_\_

**For Office Use Only**

Checked by \_\_\_\_\_  
 Signature Talled by \_\_\_\_\_  
 Entered in the Register of Transfer on \_\_\_\_\_  
 \_\_\_\_\_ vide Transfer no \_\_\_\_\_  
 Approval Date \_\_\_\_\_  
 Power of attorney / Probate / Death certificate / Letter of Administration  
 Registered on \_\_\_\_\_ at \_\_\_\_\_  
 No \_\_\_\_\_

Declaration:

- Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares; or
- Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

**On the reverse page of the certificate**

Name of the Transferor	Name of the Transferee	No. of shares	Date of Transfer

\_\_\_\_\_  
Signature of the authorized signatory